No.30,841

The State

3273/8/95 and to ever

Friday May 12 1989

D 8523A

World News **Full Senate** to vote on **US-Japanese** fighter deal

The full US Senate will vote on the \$7bn US Japanese proj-ect to develop the FSX fighter aircraft, which narrowly escaped a committee bid by senators to block the deal. Page 20

Steel in Italy ...

David Steel, former leader of the UK Liberal Party, is to fight an Italian seat, the first time a leading politician from one EC country has fought m another. Page 20

Democrat resigns: John Mack, executive director of the US Democratic Steering and Policy Committee, resigned over an assault conviction. Page 3

Peking student call Peking student activists plan to ask Mikhail Gorbachev to discuss freedom and democracy with them during his visit to China next week. Page 4

Kashmir violence Terrorist violence has returned to Kashmir after a hill during the month-long Moslem fast of Ramadan. Page 4

Swiss rail link

Switzerland proposes to build. two new Alpine rail tunnels to meet the European Commu-nity's request for a north-south freight route, Page 2. -

SA minister quits Mr Chris Heunis, the Cape leader of the National Party, is to resign. Page 4

Mexican teacher pay. A majority of Mexico's dissito return to work, having accepted a final pay offer worth 25 per cent. Page 3

Turkish drug haul Turkish para-military guards have seized 186 kilos of pure heroin with a street value of up to \$40m in Europe during a raid on a village near the

Iranian border.

Mani

TIL

Recruit questioning Public prosecutors investigating the Recruit financial scandal in Japan have questioned Takao Fujinami, a former chief cabinet secretary. Page 4

W German water

West Germany is to receive a formal legal complaint from the European Commission for failing to bring its water purity standards np to Community levels. Page 2

Thais back to work The first 250 of nearly 10,000 Thai workers expelled from Singapore six weeks ago will return legally to their formerjobs next week. Page 4

Walesa appeal Solidarity leader Lech Walesa

told Italian President Francesco Cossign that Poland had lifted the Iron Curtain and now needed Western economic aid.

Belgium-Zaire taiks Belgium and Zaire opened talks in Morocco in an attempt to end a dispute that bas soured their relations since

Coup for Dior Christian Dior has ousted vet-eran fashion designer Marc Bohan and replaced him with an Italian in a surprise move that stunned the French fash-

Grand Met share price falls despite \$500m profit

Grand Metropolitan, the UK-food and drink group, announced interim pre-tax profits of \$500m, but share prices fell amid concern at its purchase of Pillsbury, the US food manufacturing and restaurant cham. Page 21 HONG KONG edged its way to another post-crash peak after a cautious day's trading

The Hang Seng index rose 4.12 Hong Kong Hang Seng Index 3000 Jan ---- 1989

to 3,285.10 after opening slightly lower. Turnover was : higher at HK\$1.68bn.

ROYAL DUTCH Shell Group and British Petroleum, the private oil companies, said rising oil prices had a mixed benefit on interim results. Page 21 GENERAL MOTORS of the

US and Isuzu. GM's Japanese affiliate, are to invest \$116m to produce a four wheel drive vehicle in the UK. Page 8 **LUFTHANSA German Airlines** and Air China, the Chinese national airline, have signed

a joint venture agreement in Peking. Page 6. AUSTRALIAN media magnate Rupert Murdoch, has made a bid to buy a Spanish televi-sion channel. Page 22

OCEAN TRANSPORT & Trading of the UK, is buying 50 offshore vessels from VTG, of West Germany, Page 39 WESTDEUTSCHE Landesbank

fourth biggest bank, announced operating profits fell to \$417m: Page 22 GEEST, UK fresh produce business, bought a US manufac-turer of chilled salads for up

to \$17m. Page 30 LTV, US steelmaker, plans to build a \$200m steel mill in a

joint venture with Sumitomo Industries of Javan, Page 23 RERGESEN, Norway's leading bulk shipowner, has ordered two gas carriers from Japan's NKK Corporation. Page 6

NEWMONT Mining, the US gold producer part-owned by Consolidated Gold Fields of the UK, plans to transfer \$425m in debt to its coal subsidiary, Peabody Coal. Page 23

ESSO ITALIANA, subsidiary of the US energy group, cast an unusual vote of no-confi-dence in the Italian Govern-

ment. Page 23 SANDVIK, Swedish cemented carbide and special steels group, announced profits up 18 per cent. Page 22 HONDA of Japan has lost a five-year battle to build a

motorcycle factory in Cordoba.

Argentina. Page 6 **BRITAIN'S 48 Group** announced trading pro-grammes worth \$5.4bn agreed with Chinese authorities. Page

KOITO MANUFACTURING. Japanese vehicle lighting compeny in which Mr T Boone Pickens, the Texan corporate raider, has taken a \$1bn-plus stake, has reinforced its antitakeover defences. Page 24 NATIONAL Westminster Bank of the UK, is to increase its stake in Banco NatWest

lia's second-largest life com-pany, hought the Schroder



with no hesitation about using ruthless ends. But some think the government will control over the

Politics Today: Why the British Labour Party is so excited ... EMS: The right way to join Lex: Oil majors; Grandmet; Markets; ... Survey: Biotechnology Financial Futures Raw Materials -Wall Street Letters ...

Business Summary Baker to brief Nato today Bonn and London fail to agree Talks resume in June

Range

120km

SHORT-RANGE NUCLEAR MISSILE LAUNCHERS

Atlantic to Urals (April 1989)

Moscow plans new arms cuts

MR Mikhail Gorbachev MR Mikhail Gorbachev yestarday launched what Moscow described as a "most important" arms control initiative, including unilateral cuts in short-range nuclear weapons, during talks with Mr James Baker, the US Secretary of State.

of State.

Mr Gorbachev's move came as Mr Baker left Moscow for Brussels where he is due to brief the Nato council today. Nato is deeply divided over the issue of short-range arms.
UK officials were unable last night to comment on the

Soviet proposals before seeing the detail, which they expect to get from Mr Baker today. But if Mr Gorbachev is again proposing negotiations on proposing negotiations on short-range nuclear forces (SNF), the British answer seems predictable: UK minis-ters have repeatedly ruled out such negotiations, arguing that once started they would lead inexorably to a "Third Zero," or the removal of all land-beed short-range missiles.

based short-range missiles. They say this would fatally undermine Nato's "flexible response" defence strategy.

Details of the Soviet proposals will emerge as Mr Eduard Shevarduadze, the Soviet For-eign Minister, arrives in West Germany, where the Bonn Government, in sharp contrast to Britain and the US, wants early negotiations on short-range nuclear arms.
Some UK officials said last

night that a Soviet proposal for unilateral cuts in short-range forces might make it easier for Nato to resolve its internal argument about possible future negotiations on controlling this

category of weapon.

In Moscow, Mr Shevardnadze was speaking after two days of talks with Mr Baker in which it was agreed that superpower negotiations on space and nuclear weapons would resume in mid-June. He said Mr Gorbachev's pro-

posal was "a most important initiative . . . concerning -reduc-tions in Soviet tactical nuclear mnnitions in Europe and a comprehensive resolution of this question. He said the proposal contained some unilateral mea-

sures concerning the reduction

of tactical nuclear weapons in

32 120km TOTAL (Western figures) 120 TOTAL (Soviet figures) 136 The Soviet move is widely

Lance Pluton

divisions in Nato. Shevardnadze's announcement stole the diplo-matic thunder from Mr Baker, a few hours after the Secretary of State had acknowledged that he had discussed short-range arms with Mr Gorbachev, although he had given no indi-cation that specific proposals were made.

expected to fuel US and British irritation at what they see as

Moscow's efforts to exploit

He added that in the view of the Warsaw Pact's advantage in short-range missiles, "before we start talking about sitting down and negotiating ... it would be advisable if that

found by UK Customs officers

investigating the laundering

of drug money in a raid on the

London offices of Bank of Credit and Commerce Interna-

The bank had sought to prevent transfer of the informa-tion because it feared for the

safety of its employees in Pan-

280km

tarily and unilaterally." Edward Mortimer and David White in London write: Sir Geoffrey Howe, the British Foreign Secretary yesterday repeated the British stance on short-range weapons in talks with Mr Hans-Dietrich Genscher, his West German counterpart, on a visit to London to try to narrow the gap between London and Bonn on the issue in advance of the Nato summit to be held at the end of the month.

imhalance were reduced volun-

There was little to indicate that Mr Genscher's efforts had succeeded and both ministers refused to do more than list the topics they had discussed.

Mr Genscher later denied that he was a closet "Third Zero supporter." He pointed out that he was co-author of the West German Government statement on the issue (which

calls not for a Third Zero but for the negotiation of "minimal ceilings" on short-range mis-siles) and said he was "sticking to it word by word." Britain has repeatedly suggested that Moscow should make cuts emulating the one-third reduction in US tactical

made over the last 10 years. Nato estimates of Soviet short-range nuclear missile systems fall short of the Soviet igure of 1,608. US and UK officials put the total at about

nuclear warbeads in Europe

The figures compare with 88 Lance missile launchers deployed by Nato armies, excluding France's indepen-dent nuclear forces, According to UK figures, Nato also has 2,500 nuclear artillery pieces, against an unknown proportion of the Warsaw Pact's total

protest over EC plan to curb insider dealings By Norma Cohen and Slephen Fidler in London and Tim Dickson

UK bankers

in Brussels

FAR-REACHING European Commission proposals to out-law insider dealing have stirred fierce criticism from

hankers in London.

A draft directive, discussed by a working party in Brussels yesterday, would go well heyond the requirements of existing UK laws, which are already among the toughest in Europe, bankers say.

Two lobby groups, the Brit-ish Bankers Association and the British Merchant Banks and Securities Houses Associa-tion are urging the UK govern-ment to stiffen opposition to

the proposed directive.

They say the proposals would allow directors of banks to be beld responsible for acts of insider dealing by subordinates even if the director was unaware of or did not approve of the activities.

The current phrasing of the proposed directive also causes concern to the British Government. The broad definition of the offence as currently defined, it is argued, would not only he unworkable but could potentially prejudice large numbers of people such as ana-lysts and journalists for whom the law is not intended.

However, a majority of mem-ber states is believed to favour legislation which would proregistation which would provide a wide definition of insider trading Spain, as current president of EC meetings, may put the issue on the agenda of next month's Council of Community economics and finance ministers.

The Spanish Government and the European Commission have been stepping up efforts in Brussels to reach rapid agreement on the issue. The proposals now appear to be making progress after being stalled for some 18 months. The Commission is said to be

conscious of growing international publicity surrounding insider trading scandals and feels that the Community should be seen to be taking a lead. The proposed directive notes that a number of EC countries have no laws prohibiting insider trading
At the heart of City objec-

tions to the proposals lies the broad definition they give of inside information - pr sitive information which has Continued on Page 20 Stabilisation shown the red

US orders more troops to Panama

By Lionel Barber in Washington and Tim Coone in Panama City

PRESIDENT George Bush yesterday prepared to send several thousand US troops to Panama as part of an interna-tional effort to step up pres-sure on General Manuel Anto-

nio Noriega, the country's military leader, to resign: US officials said the troop deployment would aim to protect US citizens in Panama fol-lowing a decision by Gen Noriega to invalidate last Sunday's presidential elections and crack down on the opposition. The election results were nullified late Wednesday night

after a day of violence which left several people dead and many injured, including Mr Guillermo Endara, the opposi-tion presidential candidate. Throughout the day, Presi-

dent Bush consulted with cononal leaders as well a other Latin American states in an attempt to isolate the Panamanian Government and persuade Gen Noriega to step The dispatch of US troops, heightening what is already a

tense atmosphere, would amount to 4,000 troops.

strengthen a US military force of about 11,000 in Panama. The deployment is helieved to

Foreign diplomats in Pan-ama are increasingly worried

By Our Financial Staff in London

the

Schroder.

Australian-owned unit trust group and Britain's 15th-larg-

est, yesterday annonnced

severe job cuts, reducing its UK workforce by about 15 per

cent. The cutbacks are likely to

tor which is already facing

widespread rationalisation. Schroder is making 180 redundant with the closure of

two offices, centralising operations in an office in the

south of England.

The troubled unit trust and

linked life assurance group

was until three years ago part of Schroders, the leading City

of London merchant banking

group, and certain funds are still managed by Schroder

Investment Management in

National Mutual Life Associ-

ation of Australasia, Austra-

be followed elsewhere in a sec-

Bank details may be sent to US

Details of bank accounts held in London hy General Noriega can be passed to US drug enforcement agencies, the British High Court has

Details of the accounts and other documents relating to the Panamanian leader, who has been indicted in the US on drug trafficking offences, were

about a rapid escalation of the crisis, and the growing possi-bility of a US military intervention. On Wednesday evening, US forces based in Panama were placed on a higher alert. to a stage before the evacuation of US citizens.

However, officials stre that the US deployment did not signal the beginning of an invasion and that any immediate action would fall within the provisions of the 1977 Panama Canal Treaties. In Panama, the atmospher

was tense after the previous day's violence and the decision to nullify the elections. On Wednesday night, Mr Guil-lermo Ford, the vice presidential candidate for the opposition alliance, was severely

NM Schroder to cut British

workforce in business review

retail investment husiness for

£99m (\$166m) in September 1986. Schroders, the hanking

group, wanted to bolster its

capital base during the stock

market restructuring in Octo-

But National Mutual wanted to expand in a new and larger market place, being severely limited in its own domestic Australian market, where it is

the second-largest life office. Until 1986 National Mutual

only operated a small, tradi-tional life husiness in the UK,

and sought an entry into the

mnch more huoyant unit-linked area. But a year later

the stock market crash led to a

slump in the unit trust indus-try, forcing NM Schroder to

carry out a comprehensivs

The latest cuts are part of a plan to improve prolitability, reduce costs and develop a

compstitive strategy in an

review of its business.

ama. Page 20 beaten and one of his bodyguards was killed by a paramil-itary squad. Mr Ford was abducted and taken away in a police vehicle. Mr Endara had

a suspected fractured skull.
Later on Wednesday night Ms Yolanda Pulice de Rodrignez, president of the electoral tribunal, declared the elections "totally null and void" in a nationwide television broad-cast arguing that "incidents have occurred... which have significantly altered the final results of the elections in the

entire country. She blamed the presence of foreign observers for having obstructed the electoral process and for promoting "the thesis of an electoral fraud." The decision to nullify the

"increasingly difficult" market.
Among the casualties are Mr

Ian Sampson, former head of the unit trust company, and

Mr John Carr, the marketing

director, who are both leaving. Mr Rohert Taylor, chief exec-

utive of NM Schroder Financial Management, said the changes

being implemented would give the group the ability to react swiftly and positively to mar-

ket changes while maintaining

"Our parent company is also committed to successful inter-

national expansion," he added

National Mutual faces a fur-ther problem when the bank-

ing group relaunches the

Schroder name in the retail market in October.

The Australian group cannot use the National Mutual name

because of a clash with a UK office. Consequently, it faces being left with the distinctly

36 45

anonymous title of NM.

Soviet Union: When a Matzo factory is not

Management: Ford's cosmopolitan carousel .5

Editorial comments The City of London in

second place; Antipodean blood sports 18

competitive pricing policies.

space in which Gen Noriega can decide what step to take next. It is a de facto recognition that Mr Carlos Duque, the pro-government candidate, would never be recognised as legitimate President hy other Latin American countries, the US, or by European countries.
It also leaves an opening for

negotations between Panama and other Latin American countries. Since last Sunday's elections, the Bush Administration has been shaping a twin-track approach aimed at combining Latin American dip-lomatic pressure on Gen Noriega with the need to pro-tect US citizens in Panama.

After a meeting between Mr Bush and congressional leaders, Democrats and Republi-Jim Wright, the House Speaker and top Democrat said: "His first responsibility is to ensure protection of American life and we embrace that.'

In the meeting at the White House, the President set out the full range of options, which include further economic sanctions against Panama. Afterwards, the White House said Continued on Page 20 Panama's politics grow np under fire, Page 3

information together.

US steps up pressure on Shamir elections leaves a breathing over polls By Our Correspondents in

Jerusalem, Moscow and Washington

THE US has asked Israel to clarify key points of a proposal for elections in the West Bank and Gaza Strip, increasing pressure on Mr Yitzhak Shamir, the Prime Minister, to find a way to end the 17-month-old Palestinian uprising in the occupied territories. The call came as the Bush Adminis-tration stepped up its diplomatic activity in the region with plans to send a team of specialists to the Middle East

elections issue. Further pressure on Mr Shamir is likely after the agreement between Mr James Baker, US Secretary of State, and Mr Eduard Shevardnadze, his Soviet counterpart, in Moscow yesterday to intensify co-operation on the Middle

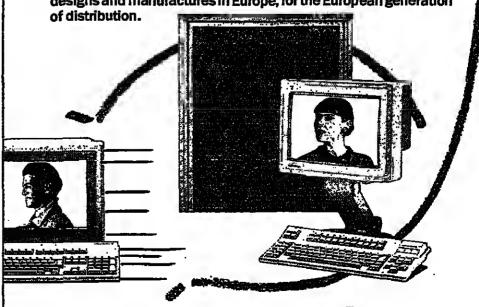
Mr Baker said he and Mr Shevardnadze had "talked about the importance of giving Continued on Page 20

card, Page 26

Now you're talking distribution systems. Nokia Data is dedicated to bringing people and

By understanding customer needs In Individual markets. And, in particular, by offering business solutions for specialised activities like distribution. Those solutions will involve integrated management

systems that cover everything from purchasing to pricing, order handling, picking, packing and delivery, through to accounting. If you'd like to know more, talk to the only company that designs and manufactures in Europe, for the European generation



NOKIA DATA The way Europe's thinking. 01-569 7700.

Nokia Data Limited, Nokia House, Great West Road, Arentford TW8 9DN.

MULTI-USER INTEGRATED BUSINESS SYSTEMS SOFTWARE SUPPORT AND SERVICE

MARKETS STERLING Australia. New York lunchti All-Ordinaries Index \$1.66665 (1.67385) \$1.6655 (1.6720) DM3.1875 (3.1850) FFr10.7775 (10.7550) SFr2.8400 (2.8300) Y225.25 (224.75) DOLLAR New York lunchild DM1.9136 (1.9016) FEr8.4685 (6.4205)

Mar 1989 May INTEREST RATES Y135.235 (134.40) Federal Funds 912% DM1.9135 (1.9050) Treasury Bills: FFr6.4700 (6.4325) ield: 8.7% (6.8) SFr1:7055 (1.00c. ong Bond: 973 Y185.20 (134.40) SFr1:7055 (1.8925) GOLD New York latest

STOCK INDICES Dow Jones Ind. Av. 2,379.77 (+5.32)-2.110.6 (-6.4) 145.29 (Wed) Tokyo

subsidiary. Page 28

34,081.49 (+89.14) 1.709.0 (-2.3) OIL Brent 15-day (Argus) \$18.525 (+0.575) (June) West Tex Crude \$20,145 (+0.82)

CONTENTS Sri Lanka's future balanced between hope and fear



President Ranasinghe Premadasa is a fighter never again regain full

World Guide 21-22

33-35

EUROPEAN NEWS

Switzerland acts to stop drug cash laundering

By William Dulfforce in Geneva

THE SWISS Government has taken two important decisions aimed at preventing the laun-dering of "dirty" money through Swiss banks and com-

The decisions, incorporated in a bill which will shortly be submitted to parliament, will plug a loophole in Swiss legislation which allows the profits of drugs trafficking to be laun-dered through Switzerland with impunity.

Government action has been epurred by disclosures of money laundering during the investigation into the "Lebanon Connection" beroin-smuggling case.

These disclosures led to the resignation of Mrs Elisabeth Kopp, the Justice Minister, in January. The government's bill will propose that anyone act-ing to thwart an investigation into the origin, the discovery or confiscation of assets that he or she knows, or must assume, stem from a crime will be committing a criminal

For severe cases the penalty

will be imprisonment for up to five years and a fine of up to SFrim (£350,000). The law will state explicitly that the act is puoisbable eveo if the main

crime was committed abroad. Secondly, the government proposes a penalty of up to one year in prison and a fine can be imposed on anyone who does not show "sufficient care" in identifying the beneficial owner when accepting, transferring or helping to invest for-eign assets. In the face of strong opposition from the banks the government has abandooed the idea of making "negligence" in handling laundered money an offence.

The banks had complained that this would turn them into

policemen. Mr Arnold Koller, the new Justice Minister, emphasised that the new law would apply not only to banks but also to money-changers and finance companies. Mrs Kopp's husband was vice-president of a finance company named by the prosecutor in the Lebanon Connection investigation.

Swiss plan £2.7bn Alpine rail tunnels

By Our Geneva Correspondent

SWITZERLAND proposes to build two new Alpine railway tunnels at a cost of SFr7.6bn (£2.7bn) to meet the European Community's request for a north south heavy freight

"Switzerland is building in her own interest but investing at the same time for Europe," Mr Adolf Ogi, the Minister in charge of transport, said when outlining the plan which will be put to parliament in the autumn and will probably have to be submitted to a national

The project aims at bringing into being two combined road rail routes between southern Germany and Italy by which heavy lorries can transit through Switzerland on railway waggons. A new 49km tunnel will be pierced alongside the existing Saint-Gothard tunnel and a complementary 28.4km tunnel will be built at Lötschberg on the route

Switzerland imposes a han on lorries over 28 tonnes, with the result that the hulk of the EC's north-south heavy freight traffic currently has to take the Brenner pass in Austria, which is already overcharged.

The European Commission's proposal that Switzerland open a road corridor for 40-tonne vehicles has been refused by the populations of the Swiss cantons through which it would run. The Commission is continuing talks with Berne on both short-term and long-term solutions to the problem which is likely to be aggravated when the EC single market comes into being in 1993.

Bagnoli plant deal delay

ITALY'S anxiety to avoid reigniting controversy over the future of the Bagnoli steel smelter in Naples before the European parliament elections appears to be hindering a possible agreement with the Euro-pean Commission which might delay its closure. John Wyles

reports from Rome. During a meeting with Mr Carlo Fracanzani, Italy's Minis-ter for Public Investments, Sir Leon Brittan, the EC's Com-missioner for Competition, is understood to have signalled beyond the July 1 closure date to which Italy originally

agreed last year. However, Sir Leon is also believed to have insisted that any Commission backing for a reprieve depended on the Italian government making a firm declaration that steelmaking would be shut down once the stay of execution had expired.

Mr Francanzi undertook to discuss this with his colleagues, but it seems that he

The easiest way to

leave the City is via

St.Mary Axe.

Business travel can be rather trying these days. Unless you can find that rare commodity — the

more. Because Gray Dawes is the City travel

highly professional, tailor-made solutions for large

With 60 years' experience, Gray Dawes understand how City business travels. Many well-known City firms already know there isn't a squarer deal in the Square Mile.

St. Mary Axe for your Gray Dawes Business Travel

经 016232450

GRAY DAWES

For The City, In The City

Telephone Melody Goodman or call in at 76

With Gray Dawes, you're assured of that and

Our travel consultants are trained to provide quicker answers, better routes, better hotels, more miles for your money. They're experts at purchasing cost effective travel, end at devising

personel touch

and small clients.

Moscow to hold foreign currency auction

By Quentin Peel in

THE first anction of foreign currency for Soviet ronhles will be held very soon, possi-bly this month, a top Soviet

banker said yesterday.

The step marks the first very tentative move towards the still distant goal of a fully convertible rouble.

However, the anctions to be held by the Vneshekonombank (the Bank for Foreign Economic Relations) will initially be restricted to Soviet enterprises alone. Joint ventures and foreign companies will only be allowed to participate

at a later stage.

The latest details were revealed by Mr Yuri Moskovsky, chairman of the Vneshekonombank, in an interview

with Pravda, the Communist Party newspaper. Mr Moskovsky said the anc-tions would enable Soviet enterprises operating excinsively within the domestic economy to gain access to hard currency, for example in order to import new equip-ment. At first only Soviet enterprises and organisations would participate. Later joint ventures, and then foreign companies could take part.

The Soviet anthorities are pressing ahead with the auc-tions, first announced in December, in spite of wide-spread fears that they will result in a dramatic plunge in the value of the rouble on the

auction floor.

The latest dire warning was published in the same newspaper only on Wednesday, hy a leading academic economist. "We will see just how far the ronble exchange rate is

capable of plunging at the currency anctions, if we manage to get these off the ground," Professor Georgy Matukhin of the USA and Canada Institute

He warned that billions of ronbles were in circulation without the backing of goods available to bny. The result would be virtually unlimited demand for foreign currency at rates far in excess of the black market.

"There are very serious doubts that these rouble anc-tions will work: the supply and demand for them would scarcely be balanced, even if the exchange rate were Rs1,000 to the dollar," he said. The official exchange rate is one ronble to \$1.5, but on the black market the rate is any-thing up to Rs10 to the dollar.

Vneshekonombank's decision to exclude joint ventures and foreign companies from the auctions at first may be related to the concern at the imbalance between supply and

demand which may emerge.
Mr Moskovsky said the
duration of the auction would
depend on how much foreign currency was offered. Under recent legislation. Soviet enterprises are allowed to retain a proportion of their missioner for Competition, is understood to have signalled his readiness to support an Italian request to maintain steel production at Bagnoli support an Steel production at Bagnoli support an Italian request to maintain steel production at Bagnoli support an Italian request to maintain steel production at Bagnoli support an Italian request that he and other ministers do not want to risk a repetition of their export earnings, and it is from this limited pool that the supply of hard currency in the auctions is supposed to come.

When a matzo factory is not enough

Despite liberalisations, Soviet Jews are still haunted by prejudice, writes James Blitz

OR half an hour, the elderly Jewish man, an old soldier in his 70s, asked questions. What is the world like outside the Soviet Union? What do people think of Gorbachev? What is the political situation like in Israel? He paused. "Can you help me get to Israel?" he

He and his family are among the half-million Soviet refuse-niks who still want to leave the USSR, some for Israel and most for the US, but who have not yet received their exit visas. These days there is an irony underlying their request. They are trying to leave the Soviet Union just as the authorities are allowing the country's 2½m Jews to lead a religious life that has been impossible

for six decades.
Indeed, the refusenik's plea to emigrate was all the more remarkable for the place where he was making it. He was standing inside the Solomon Mikhoels Centre, the first Jewish cultural organisation to be set up in Moscow since the height of Stalinism, and the kind of institution Soviet Jews have been dreaming about since before the war.

Only a year ago, such an institution still seemed a far-off prospect. In May last year, a hundred Jews from all over the country gathered in Moscow to try to set up this kind of cultural movement. For three days, they searched the city for a building in which to hold their meeting, hut no Soviet

citizen would risk the wrath of the authorities by giving a The gathering was eventually held in a park, in the company of several dozen KGB men who played loud recorded mnsic to drown out the speeches, asked repeated questions of the participants and followed most of them home.

It is hard to believe that the perestroika of Jewish life will not go on.

One year on, the Jewish cul-tural centre has solid walls, and the KGB are outside them. The Mikhoels Centre, named after one of the USSR's greatest Jewish actors, is situated on an attractive site in the Taganka district of Moscow, the heart of theatreland. Mr Mikhail Gluz, the centre's director, says six lectures on Jewish culture have already been held there, each attended by around 200 people. There is a theatre and an exhibition hall, both newly-plastered, a description hardly applicable to most buildings in the Soviet

The new centre is just one milestone among the many passed by the Jewish community in the last year. Several weeks ago, a new Jewish newspaper appeared in Moscow for the first time, called News about Soviet Jewish Culture. It is well produced by an official Soviet printer, though rela-tively expensive at 75 kopeks

(75p).
The inanguration of Moscow's first Jewish newspaper was preceded by the opening of Moscow'e first matto far tory, just in time for Passover. And last week, the authorities gave back to a Moscow syna-gogue one of its former buildings, the first time that prop-erty taken from the Jewish community has been returned.

The Soviet government's new policy is not perfect. Mr Gluz points out, for instance, that the Mikhoels Centre has received no official recognition from the Soviet Ministry of Culture, merely the ministry's "blessing".

"blessing".

This means, for example, that the centre has no official plaque with its name on the But it is hard to believe that the perestroika of Jewish life

will not go on. Why, then, does my refusenik acquaintance want to leave now? He asked me to hand over

my notebook, reached for a pen and scribbled. He had written one word: Pamyat.

He did not dare pronounce the name of the anti-semitic group whose many supporters threaten Jews and distribute anti-Jewish literature. The group almost certainly vandal-ized the only synagony in the ised the only synagogue in the Siberian city of Krasnoyarsk last month, and set fire to the only Jewish bakery in Siberia.

They were also responsible for burning three trucks belonging to the kosher baker which catered for the opening ceremony at the Mikhoels centre.

During the March Soviet election campaign, Pamyat supporters gained great notori-ety for breaking up an election meeting called by Mr Vitaly Korotych, the editor of the reform-minded magazine

The gloom is lifting for refuseniks, as it is becoming easier to get an exit visa.

Ogonyok. The old refusenik says that he knows Mr Koro-tych is not Jewish, but that he tych is not Jewish, but that he has often spoken up on behalf of Soviet Jewry. He picks up his copy of Ogonyok and gives a thumbs up.

Pamyat frightens people because it is backed by a number of hard-line communist officials.

Last year, the organisation held several large and provoca-tive meetings in Leningrad, which the city'e communist leadership made no attempt to halt. Indeed, the new Jewish newspaper reports in its first edition that "in almost every Leningrad constituency, members of Pamyat were selected to run as candidates for the new Soviet Congress of People's Deputies." Around seven per cent of the city supported

For refuseniks, the gloom provoked by Pamyat is brightened only by knowing that it is getting easier to get an exit wisa for abroad. Last year, visa for abroad. Last year. 20,082 exit permits were issued by the Soviet authorities, the highest number since 1980. And the figure is rising: already this year, 12,864 Jews have been allowed to leave. Every day, Muscovites walking in the Arbat area of the city can see around 400 people queuing for visas outside the new Israeli mission.

The presence of an Israeli delegation is another boon to

delegation is another boon to Moscow's Jews. The two coun-tries do not have full diplomatic relations, and the Israelis have to borrow rooms in the Dutch embassy and the Ukraine Hotel. But Israel's del-Ukraine Hotel. But israel s der-egates hope that if full rela-tions are restored, it will be accompanied by an even greater rise in smigration. One representative admits, how-ever, that there is little that the delegation can do to help Soviet Jews against provoca-tion from Pamyat or to increase the number of exit visas granted. These are inter-nal Soviet affairs.

Leaving the Mikhoels centre the refusenik has a cheerful look brought on by brief con-tact with someone from the outside. But as he sees more of his friends getting permits to leave, his loneliness gets greater. He is waiting for a bureaucrat somewhere to draw a tick against his name.

EC energy plan faces pitfalls

By Will Dawkins in Brussels

EFFORTS to introduce freer competition to the European Community's energy industry yesterday ran into potentially serious national differences.
A meeting of the EC's 12
Energy Ministers confirmed

that several countries will encounter problems with plans being considered by the European Commission to scrap a range of restrictive practices in the coal, electricity, oil and gas industries. Several member states expressed caution over a draft directive, due to be tabled by

the Commission in July, to force utilities to provide more information about gas and electricity prices. While they accepted that the measure would help consumers com-pare prices, they feared it might be too bureaucratic.

whether EC gas and electricity distributors should open their grids to all suppliers. The UK and France were keen for a so-called "common carrisr" system, a stance that reflects the openness of the British grid and France's eagerness to

By David Buchan in Brussels

CRITICISM of Prime Minister Margaret Thatcher's new

tougher line towards EC social

policy initiatives came yester-day from the Spanish govern-ment, currently holder of the Community presidency.

Mr Pedro Solbes Mira, Span-ish minister for EC affairs, yes-terday singled out fiscal har-monister or and social policy as

priority areas for the Spanish

presidency. At the same time, he noted that EC governments had given formal approval to,

sell cheap nuclear electricity across Europe. However, this ran into resis-

tance from West Germany, keen to protect its coal mines, and Spain, which is still upgrading its own grid. The result was a compromise which called for more intercon-

nection between national grids but fell short of supporting common carrier rights, dis-missed as "a predictable fudge" by one national official. Meanwhile, an attempt by West Germany to pave the way for EC-wide adoption of its own tough rules on pollution from

oil refineries met stiff resistance. The environmentally-minded Danish and Dutch sup-ported the plan, but the UK and Ireland felt it would impose an unnecessary cost to their own refinerles. Ministers over a Commission request for investigate whether German whether FC are and a series on environmental rules was a series of the Commission should investigate whether German environmental rules was a series of the Commission should investigate whether German environmental rules was a series of the Commission should be a series of the commission of the commission should be a series of the commission of the commission should be a series of the commission ting its refiners at a competitive disadvantage and submit proposals if necessary". An existing Commission

plan to extend free public pro-curement rules to the energy industry met resistance from the UK yesterday. This would

Spain defends social initiatives

the presidency on January 1. UK opposition to the Lingua

programme to promote foreign

lanuguage learning in schools "greatly concerns us", because the proposed Ecus 250m

(£162m), five-year programme was part of an effort to create "a Europe for citizens", Mr Solbes told the Centre for European Policy Studies. He also professed himself baffled at IVE opposition to the European

at UK opposition to the Euro-pean Commission's proposal for an EC identity card for pen-

or reached basic political stoners, allowing them to beneagreement on, some 27 directives since Madrid took over tainment in other member

create needless red tape for North Sea oil and gas produc-ers, which would be covered by the directive as holders of gov-ernment licences, said officials. A separate discussion on

whether to end a 1975 EC restriction on the use of gas in power stations produced fur-ther differences. Mr Peter Morrison, the British Energy Min-ister, argued that the rule should be scrapped because it only curbs the use of a relatively pollution-free fuel, while his French and German coun-terparts resisted such a move, sensitive to the competitive positions of their nuclear and coal industries.

 EC governments agreed yesterday to club together to encourage efficient electricity

... The scheme is the latest environmental gesture from an EC that is becoming increasingly sensitive to green issues. Adopted by EC energy minis-ters, it will establish regular meetings among national offi-cials from the 12 member states to co-ordinate ways of encouraging business and pri-vate consumers to save elec-

states. He said that this was

only "a recommendation". His criticism of the UK gov-ernment was qualified how-

W German coal industry hit by wildcat strikes

By David Goodhart in Bonn

WILDCAT strikes in the West German coal industry have greeted the West German Gov-ernment's decision not to officially contest the European Commission's controversial plan substantially to reduce subsidies throughout the

Bonn allowed the deadline of May 9 to pass without lodging complaint, much to the dis pleasure of the coal companies and unions and the two major coal producing states - North Rhine Westphalia and the Saarland.

However the Government claims it will achieve more for the coal industry in private negotiations with the EC than through formal conflict. Officials are also hopeful that France hitherto the strongest opponent of German coal subsition in the light of the benefit to its nuclear industry from the likely abandonment of the

German unclear reprocessing plant at Wackersdorf. Earlier this year the EC produced a report recommending that energy subsidies should be cut back - and eventually eliminated - in order to realise

a common market in energy. West Germany is the biggest coal subsidiser in the EC spending about DM10bn a year to compensate the utilities and steel producers for the extra cost of huying German coal. The utilities claim back the difference between German coal and cheap imported oil through levying an extra 8.5 per cent on electricity bills -the so-called Kohlepfennig.

The current agreement between the Government and the utilities runs out in 1995, but the EC now wants the Kohsubstantially reduced by 1993. Bonn is expected to come up with a plan to do so

Commission set to move against Bonn on water

By David Buchen in Brussels

WEST GERMANY is very shortly to join the UK and Italy in receiving a formal legal complaint from the European Commission for failing to hring its water purity standards np to long-agreed Community lev-els, officials in Brussels said

ever, hy noting that London had not obstructed progress on worker health and safety direcyesterday.

The move against the Bonn government, which is expected to be followed by similar action against Belgium and Greece, is part of a widening Commission tives this year.
UK diplomats objected to the trackdown on many member states for failing to conform with a 1980 drinking water directive, even though they had a five year grace period, until 1985, in which to comply. The impending complaint to

Bonn is likely to wound the pride of West Germans who regards themselves as being among the most environment-

conscious in the Community.

Meanwhile, the UK, where
the prospect of EC legal action
has already complicated privatisation of the water industry.

Is in store for more industry. is ation of the water industry, is in store for more trouble, according to Mrs Anne Taylor, the Labour opposition spokeswoman for the environment. After talks yesterday with EC officials, she said the Commission. sion was contemplating action to try to clean up drinking water in Yorkshire and bathing water along the Lancashire beaches of Formby and South-

identity card plan because it did not take account of the Community's different retirement ages, while the Lingua programme for primary and programme for primary and secondary schools was unac-ceptable because it would extend Community competence into a new area.

OECD sees blocks to efficient new technology By John Gapper

The failure of companies to break down work demarcations and achieve skill flexibility has limited productivity growth from new technology, according to an Organisation for Economic Co-operation and Devel-

opment report.

The report which was published at a conference in Rome yesterday, argues that most OECD countries have suffered from a "productivity paradox" of lower growth rates despite new technology because of persistence of traditional

work structures.
It says companies will have to move towards broader skill

definitions, more re-training, and payment linked to individual competencies in order to reap the full productivity potential of information tech-

potential of information technology in particular.

They will have to shift away
from a pyramid-shaped grade
structure towards a flatter
model in which more people
are concentrated in middle
skills grades These workers
have to be given incentives to
re-train and work flexibly

The report commissioned by
OECD Labour Ministers and
prepared by a group of experts prepared by a group of experts including senior managers and trade unionists, also argues

that broader general education for young people and more adult courses are required. It says young people need a higher minimum threshold of competency to compete in a labour market where new

skills will conetantly be required by technological change. The competencies should be a base for skill flexibility.

The report, called New Technologies in the 1990s, points to Japanese and Nordic models of workforce involvement linked to substantial training and retraining as ways of making the maximum gains in productivitiy from new technology.

It saye that employers who have used new technology to de-skill jobs have mostly found it an inefficient method. Both companies and union have interest in enhancing skills as part of the process of techno-logical change.

Mr Ulf Sundqvist, chief gen-eral manager of the Labour Savings Bank of Finland and chairman of the group that prepares the report, told the conference that an increasing part of a manager's job would be to help the creativity of

Denmark plans tax reforms

A reduced corporate profits tax from 50 to 35 per cent will be a main feature of a tax reform plan to be presented by the government within the next few weeks, according to versions of the plan which have been leaked, Hilary Barnes reports from Copenhagen.

Prime Minister Poul Schlueter, head of the minority government, has labelled the plan "the reform of the century".

The government has run into a harrage of opposition from all the other parties in the Folketing for proposing to suspend the automatical. the Folketing for proposing to suspend the automatic infla-tion-linking of pensions and other transfer payments.

Abortion lobby celebrates in conservative Belgium

By Tim Dickson in Brussels

BELGIUM'S pro-abortion lobby was anticipating an "historic" victory yesterday and political commentators condared the possibility of a new rift on the issue within the centre-left coalition Covernment

coalition Government.
The excitement was caused by a joint Senate Commission's surprisingly large vote (26 to 18) in favour of modifying the country's long-standing ban on abortion so that women "in a condition of distress" could interrupt their pregnancy up to the end of the first 12 weeks.

If, as many now hope, the draft proposal raceives the assent of the full Senate and becomes law (perhaps by late summer), it would mark the end of a hitter and frustrating 20-year battle by campaigners to overturn the 1867 Napoleonic code on which the exist-

ing ban is based. There is still a long way to go and there could yet he amendments," warned the leader of one prominent women's group yesterday. Passions aroused by the

abortion issue are often on the same scale as those evoked by Catholic Belgium's amouldering language dispute, with divisions crossing both party and cultural lines. Mr Wilfried Martens, the Bel-

gian Prime Minister, has played down suggestions this week the issue could inflame tensions in the five-party coalition of Socialists, Social Christians and the Flemish nationalist Volkunie, which has managed to survive for 12 menths without any big politi-

cal crises. Some however, won-der whether the subject could provoke instability in the Gov-ernment after the European elections in the middle of June. While the politicians have been arguing over whether Bel-gium should join all other EC countries except ireland city-

gium should join all other EC countries except Ireland, clinics and hospitals have been carrying out operations in open defiance of the law. An estimated 30,000 abortions take place each year in Belgium. with many more women going

FENANCIAL TIMES

Published by the Financial Times (Europe) Ltd., Frankfart Branch, represented by E. Hugo, Frankfurt/Main, and, as members of the Board of Directors, F. Barlow, R.A.F. McClean, G.T.S. Damer, M.C. Gorman, D.E.P. Palmer, Loadon, Printer: Frankfurter Societain-Druckerei-GmbH. Frankfurt/Main. Responsible odlor: Sir Geoffrey Owen, Financial Times, Number One Southwark Bridge, London SE1 9HL. B. The Financial Times, Ltd., 1989.

FINANCIAL TIMES. USPS No. 190640, published daily, except Sundays and bolidays. US subscription rates 5365.00 per annum. Second-class postage and at New York NY and at additional mailing offices. POSTMASTER, send address change to: FINANCIAL TIMES, 14 East 60th Street, New York, NY 10022.

Financial Times (Scandinavia) Ltd. Ostergade 44, DK-1100 Copenhagen-K. Denmark, Telephone (01) 13 44 41. Fax (01) 935335.







pressure on Panama

By Andrew Marshall and Robert del Quiaro

THE PANAMANIAN decision to nullify Sunday's election result provides a temporary breathing space for the negoti-ating track which Washington has opened, involving Latin American governments in US policy to an extent rarely wit-

But the Latin American reaction to US involvement in Panama is, and will continue to be, deeply ambivalent. On the one hand, the semblance of "Yankee imperialism will always evoke hostile reactions in the hearts and minds of those south of the Rio Grande. On the other, General Manuel Noriega of Panama has become an embarrassment. Removing him quickly, quietly, and with-out violence, is in the interests of all those Latin American countries which have painfully struggled with democracy for the last decade. Whenever Uncle Sam is seen

to be putting pressure on any Latin American regime or political faction to do Washington's will, the rest of Latin America feels a visceral revul-sion and, arisen from that, a strong desire to have the big nothern neighbour desist forth-

Other governments in the region may have little liking for General Noriega, as a sus-pected drug trafficker and flagrant manipulator of demo-cratic processes. But, when push comes to shove, he is perceived by his peers in the region as a Latin American with a strong line to follow over his country's main physi-cal asset, the Panama Canal.

The general has a remarkable combination of charisma and cunning. He has presented himself, despite the taint of drug trafficking and internal repression, as a nationalist who can, and does, prevent his tiny and marginally viable

posture is similar to that of before seen in our region."

every politician, the length of From that, it follows it the ideological and opportunis-tic spectrum, throughout Latin America

He who tweaks the disapproving nose of Uncle Sam is never without admirers in a region where the heady combination of envy and loathing for the rich foreign neighbour and creditor is always ready to break surface and raise a

However, Gen Noriega is not the sort of leader who is acceptable for the long diplomatic and political haul to such civilian centrists as President Carlos Andrés Pérez of Venezuela or President Alan Garcia of Peru; who are com-mitted, for sensitive historical reasons in their own countries, to continuity of elected admin-istration in Latin America as a whole, as well as at home.

Deep worry from the south

In a statement last night from the Group of Eight — Mexico, Venezuela, Argentina, Peru, Urugusy, Colombia, and Brazil — which expressed their "deep worry" over the results.

As governments from Mexico City to Buenos Aires contem-plate affairs in Panama at present, they fervently wish the whole mess would go away, without the US raising its pressure on Noriega any further. The general himself is embar-rassing the other members of the regional family any more with ballot-rigging and bully-ing of the local opposition.

The Group of Eight said the crisis "could distance even further the Panamanian government and democratic community of Latin America, during a historic moment in which free country sinking into colonial and popular expression is staus vis a vis the US. Such a advancing in a way never

From that, it follows that such civilian presidents will be hoping, and quietly pressing, that a way be found for similar figures in Panama, unconnected to Gen Noriega, to come

to power in Panama City, via a further round of elections in

that country. The Group of Eight Latin American states pressed for nullification of the elections on Wednesday night, and the announcement thus represents a small victory. It is a de facto recognition that the electoral fiction which Gen Norlega had sought to establish as fact, of free and fair elections confirming his legitimacy, cannot be

preserved.

The Group will not now feel pressed to recognise a govern-ment of Mr Guillermo Endara, the opposition candidate, who won Sunday's election by a two- or three-to-one margin according to all indpendent sments. At the same time, there is now no necessity to recognise the government of Mr Carlos Duque, the Noriega-backed candidate who is the self-proclaimed victor of the elections. This opens the way for some compromise - involv-ing new elections under multilateral supervision, or a coali-

The involvement of Latin America in US policy that has been achieved in the last 48 hours is a remarkable achieve-ment, it may even herald a productive solution to a problem that has long bedevilled the White House. But, if Washington were to lose its patience and embark on a policy of mili-tary intervention, there would be a mighty outburst of Latin American outrage on behalf of Gen Noriega, their fellow under the old threat. This will he a powerful argument for keeping the negotiating track open as long as possible.

Washington puts regional US moves cautiously to undermine Noriega

By Lionel Barber in Washington

FOR ALL the uncertainty and high tension in Panama, the Bush administration appeared yesterday to be devel-oping a coherent policy aimed at per-suading General Mannel Noriega to step aside from power in the Central American country.

It is a cautious, step-by-step approach based on extensive consultation not only with congressional lead-ers but also with Latin American goveruments — a stark contrast with the unilateral, high-profile approach to foreign policy often favoured by the Reagan administration. "This time we want to avoid the impression of this being a conflict between Noriega and the gringes."

Unlike President Reagan, Mr Bush seems to have recognised that Latin America has almost as much at stake in the future of Panama as has the US

itself - partly through the continued safe operation of the Panama Canal, still a significant channel for commerce in the hemisphere, but also because Latin American states, several of which have emerged recently from military dictatorship, are aware they have a stake in publicly upholding the

principle of democracy. The Latin Americans' Group of Eight statement on Panama may not go as far some US officials would have liked, but it is a welcome shift from last year's deafening silence when the Reagan administration tried belatedly to enlist Latin American support for the removal of Gen Noriega. Moreover, it follows individual criticism of the rigged elections by figures as diverse as President Alan Garcia of Peru, no friend of Washington given his views on debt strategy, and a behind-the-scenes role by President Carlos Andrés

the Noriega regime.

However, Mr Bush must weigh the power of diplomacy with the more tecting American lives. There are more than 40,000 US citizens in Panama including 10,600 troops who form part of the US Southern Command, which is based by the canal. Many of these US dependents live outside the base camps and are potential hostages.

If, as seems likely, Mr Bush increases the number of US combatants on the spot, that would be to extend protec-tion rather than mark the first step towards an invasion. Military force to remove Gen Noriega is still regarded as a last resort.

By consulting Congress early, Mr Bush is sticking to his familiar refrain of "hipartisanship" in foreign policy.

Perez of Venezuela aimed at isolating But he must also be aware that, ever wedded to quick military action, such as the Grenada invasion, rather than acute domestic political concern of pro- prolonged missions such as the (ultimately successful) one to the Middle Eastern Gulf, where American lives are

> So far, Mr Bash seems to have struck a balance hetween consultation and action, building an international con-sensus on the rigging of the elections and winning domestic support for the principle of multilateral diplomacy.

> These are only the opening moves, though, in a highly fluid atmosphere inside Panama. The threat to US lives, the uncertainty over the durability of the Panamanian opposition, and the unpredictability of Gen Noriega, mean that the most difficult decisions are yet

Panama's politics grow up under fire

Tim Coone assesses a week in which an opposition was blooded

irreversibly. Smoke from hurning tyres and rubhish mingles with the nauseous, acrid smell of teargas along the elegant Avenida España, the main road through the banking centre of Panama City. Protestors are prepared for the first time to brave the danger of beatings, birdshot and even bullets from the riot police, and to come back for

. A watershed has been crossed by the political opposi-tion to Gen Manuel Antonio man behind the civilian façade. The violence to which its leaders and supporters have been subjected in the past days by the so-called Dignity Battal-ions, the general's shock troops, has stripped opposition Panamanian politics of their

The favourite joke of foreign

journalists, that "Panama's opposition is prepared to fight to the last drop of American hlood", is no longer valid. The ambulances wailing along Panama's streets on Wednesday carried both dead and wounded from the violence. The struggle to remove the general from power has begun in earnest.
According to one West Euro-

pean diplomat in Panama, "the Europeans agree that last Sun-day's elections were a fraud. Their nullification is nothing more than an acceptance by the government that it lost. The next step must be the resignation of General Noriega."

Unlike last year, when Gen Noriega's problems with the US were largely seen as a bilateral issue, in the space of less than a week his regime has suddenly found itself totally isolated.

With the exception of lame statements of support from Cuba and Nicaragua, the world is turning its hack on Gen Noriega. The lacklustre leaders of the opposition, branded as traitors and lackeys of US imperialism by Gen Noriega wrapping himself in the nationalist banner, have been converted overnight into mar-tyrs by the violence he has unleashed against them. Even

Wednesday's brutal beatings of the ADOC opposition leaders, which a German friend called, reminiscent of pre-war Nazi For the first time, the racial and class barriers between the darker-skinned working class, and the lighter Panamanian

erstwhile government support-ers bave been horrified by

middle and upper classes, in the past ably exploited by the general, are beginning to break The people building the barricades along the Avenida España included doctors, teachers and office workers.

Gen Noriega bas backed himself into a corner. The nul-lification of the elections on Wednesday night, a move of dubious constitutional legality given the government's efforts to engineer a fraud, has created a momentary breathing space for both sides to consider their next moves. indications that the nullifica-

tion came as a result of pres-sure from the Group of Eight Latin American leaders sug-gests that Gen Noriega may be responding to diplomatic approaches and looking for a way out. The sending of US troop reinforcements to Panama is the stick being used to beat him in that direction. Dr Ricardo Arias Calderón,

the only one of the three main ADOC leaders in an adequate

physical condition to speak to reporters on Wednesday night, was insistent that be wants to see a peaceful, oegotiated solution to the crisis despite the government's unprecedented violence, which he described as "an act of extreme despera-

The two "indispensable conditions" for a solution, be said, are "a recognition of the legitimate election results" which, according to independent observers, gave ADOC a landslide victory, and "a new understanding hetween civilians and the military to allow the military to function in a way that these events will never happen again". The sine que non for that understanding has been previously spelt out: the resignation of Geo Noriega and a new constitutional subordination of the armed forces to civilian rule.

Mexican teachers finish strike by taking pay offer

MORE THAN half of Mexico's dissident tsachers have decided to return to work, having accepted the Ministry of Education's final offer of a pay increase which gives them the equivalent of a 25 per cent sal-ary increase including improved benefits.

Classes throughout the country should resume as normal next Tuesday, but the settle-ment caused considerable cost to the Government, which is committed to budget austerity, and also its anti-inflationary

(1) MC

* 13 tc

The teachers' pay rise is the highest awarded this year for any group of workers except for those in the pharmaceutical industry who received one of 25 per cent plus 8 per cent in

Inflation in the first four months of this year has been 6.4 per cent, according to the Bank of Mexico's consumer price index. The Government's

goal of restricting it to 18 per cent this year is threatened by At the same time Mexico cent this year is threatened by other pay settlements in the view of independent econo-

by government, labour leaders and husiness, the increase in the minimum wage was lim-ited to 8 per cent.

Negotiations between the official leadership of the 1.2mstrong National Union of Educatiom Workers (SNTE) under the new leadership of Ma Elba Esther Gordillo, and the rebel faction known as the National Co-ordinator of Education Workers (CNTE), ended on

The major acheivement of the CNTE - resulting from a dispute lasting almost a month - was the resignation of the dictatorial Mr Carlos. Jonguitud Barrios, formerly "leader for life" and "spiritual

now expect a recession within the next year, with 21 per cent looking for it to begin in 1989.

The three-month figures show no growth at all over the last half year, seasonally adjusted a period in which goods price inflation has been remained at about A per cent

running at about 4 per cent annually. This suggests that volume has fallen at least one

per cent in the last quarter.
The only buoyant turnover reports came from the clothing

and furniture sectors, both recovering from very depressed earlier sales, and from the food

stores, where prices have been rising sharply. Comparing the last three

months with the same period in 1968, sales value has risen

by 5 per cent, or 6.5 per cent excluding the car sector.

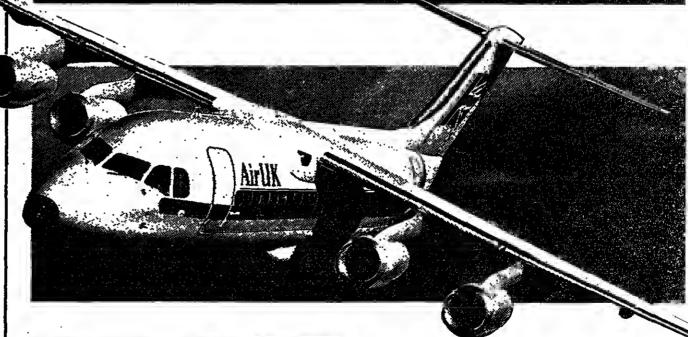
City's hus drivers have resumed work although it was not immediately.clear.on.what Under the Pect for Economic terms. The return to the Solidarity and Growth which streets of thousands of was concluded last December exhaust belching buses of

Ruta-100 followed an agree-

It followed a decision by Mr Manuel Comacho Solis, Mayor of Mexico. City, to transform the loss-making service, which is subsidised heavily by the Federal Government into a cooperative administered by the Government but majorityowned by the workers. They rejected a pay rise of 50 per

Their resumption of work came after a federal judge issued on Tuesday a temporary injunction ruling against the Government's decision to terminate dealings with the drivers' union.

go-between



US retail sales show signs of slowdown

By Anthony Harris in Washington. vate sector economists, shows that two thirds of the panel

FURTHER evidence of a US economic slowdown appeared yesterday with an official esti-mate that retail sales rose by only 0.4 per cent in value in April, which implies a sharp fall in real volume. Market estimates had suggested a rise at least three times as big. The dollar and shorter-dated bonds rose, despite uncertainty over producer price figures, to be published later today.

A particular surprise is that

turnover in the depressed car market shows virtually no improvement, despite a sharp-recovery in unit sales in the first three weeks of the month. This suggests that inventories have been cleared only with the help of abnormally large

At the same time the latest Blue Chip economic forecast, an average of 51 leading pri-

Wright protégé quits over assault scandal

By Anthony Harris in Washington

A SCANDAL which has further damaged Mr Jim Wright, the House of Representatives. Speaker, was resolved yesterday with the resignation of his protégé Mr John Mack as executive director of the Democratic Party Steering and cratic Party Steering and Policy Committee.

In 1978 Mr Mack pleaded guilty to a brutal assault on a young woman. He was given a 15-year sentence, but released after only 2½ years, largely because of the intercession of Representative Wright, whose daughter was married to Mr

Mack's brother. A recent interview with the victim aroused strong sympathy, and Mr Mack's continu-ance in office became a grave embarrassment for the embat-

Over 190 flights a week

Air UK flies between Europe and Britain more than 190 times a week.

More importantly, our flights are to regional destinations so, if you have business interests outside London, you can avoid the inconvenience of having to change planes (and terminals) at Britain's busiest airport.

For reservations and flight information contact your travel agent or Air UK's general sales agents: KLM.

Edinburgh

Glasgow

Guernsey Humberside □ Jersey □ Leeds/Bradford ☐ London Stansted ☐ Newcastle ☐ Norwich
Teesside. From American 122 dicher a male

Air UK flies from Europe to Aberdeen □

From Amsterdam	123 flights a week
Bergen	5 flights a week
Brussels	16 flights a week
Paris	34 flights a week
Stavanger	12 flights a week
Zurich	1 flight a week
-	

Strong support for Peruvian stoppage By Veronica Baruffati in Lima

A THREE-DAY armed strike called by Sendero Luminoso, Peru's Maoist guerillas, in three central departments has had overwhelming support. On Wednesday, the first day of the strike, the streets of the main towns in the departments of Huanuco, Junin and Pasco, were deserted, despite the presence and promises of

protection by military pairols. The guerillas have taken advantage of the vacuum in Peruvian government, caused by the Cabinet's resignation

on Monday, to paralyse agri-cultural and mining activities

in these three areas, and to instill enough fear in the pop-

ulation to keep them at home. As Mr Guillermo Velarde, prefect of Huanuco department, said: "The strike has been supported by the popula-tion not because of personal conviction but because they feared bloody retaliation by

These central Andsau departments are the agricul-tural and mining backbone of Peru. Whoever controls them is in a strong position to cut off supplies coming to the cap-ital from the hinterland.

As part of its strike tactics, Sendero Luminoso terrorists blew up overhead electricity cables, plunging large parts of Lima and the country into darkness. Seven lorries bringing food supplies into Lima from the interior were intercepted and sent away. Buses were ambushed, passengers told to descend and then the buses were set alight.

A cargo train carrying food supplies was detailed. Bridges and banks were blown up. A policeman at his station and two air force officials travelling on a bus were shot dead.

Hundreds of police are patrolling the streets in an attempt to prevent any more terrorist activities. **MAirUK**

By Rnger Matthewa in Bangknk

THAILAND'S Finance Ministry has announced a package of measures to boost savings and stimulate greater competition in the banking sector.
Mr Pramual Sabhavasu, the

Finance Minister, simulta-neously launched a scathing attack on the country's commercial banks, accusing them of making excessive profits to

use for their own benefit.

The executives of the banks paid themselves very high salaries, according to the minister, while some also used the bank's resources for their own purposes. But they made no contribution to the public good and had not responded to gov-ernment requests, be alleged. Mr Pramual said he intended to end the present 5.5 per cent spread between the ceiling on

deposit rates and the ceiling on banks' lending rates, which was far wider than in most countries. Banks would be allowed to compete freely for deposits. This should allow smaller hanks with lower overheads to offer more attractive rates to depositors than some of the larger, leee efficient institutions he said.

I do not think that the com-

By Roger Matthews in Bangkok

THE FIRST 250 of nearly 10,000 That workers expelled from Singapore as illegal immi-

grants will return legally to

their former jobs next week. The mass expulsion six

weeks ago, under threat of can-

ing and jail sentences, caused government anger in Bangkok

and has led to serious labour

shortages on several big Singa-

porean construction projects, including the new terminal

building at Changi airport. The Thai Interior Ministry said Singapore had asked for

15,000 Thai workers but

arrangements would be made only for the 9,740 who had been expelled. They would go back on strictly agreed contracts

specifying salary and overtime

payments, with the Singapo-rean employers taking respon-sibility for their food, accom-

modation and transportation

mercial banks have tightened their belts sufficiently," be added. "When the ceiling for deposit rates is floated, the public will stand to benefit because the banks will have to compete more intensely among themselves." However the minister rejected any increase in the 15 per cent ceiling on lend-ing rates as demanded by some

of the banks. He also promised other measures to encourage savings. These included: • Reducing the tax levels on

reserves put aside by compa-nies for future investment. Slashing personal taxes on interest earned from deposits ranging from \$400 to \$4,000. Introducing new tax incentives on lifa insurance policles.
 Introducing a mandatory

social welfare savings scheme. There has been considerable culation in Bangkok that the government has been etudying the operation of Singapore's Central Provident Fund, to which companies and employees make fixed contributions, but which can only be drawn down for specific pur-poses, such as housing and

Singapore readmits Thai workers

also have to post a \$1,000 bond

per worker with the Labour Department in Bangkok as a

The introduction of these

conditions underlines the bit-terness felt by some Thais at Singapore's action. Thai offi-cials argue that the illegal

presence of so many foreign

workers in Singapore could not have occurred without the con-

nivance of some Singaporeans.
And, as fellow members of the
Association of South East
Asian Nations, it should have

been possible to resolve the issue without Thailand having

to send ships and trains to bring its nationals home, espe-cially as now the workers were

Some That publications have

been more aggressive in their response, suggesting that it

will take some time before rela-

guarantee.

osts. tions between the two coun-Singapore employers would tries return to normal and

Thailand's accelerating eco-nomic growth over the past decade, with a record 11 per cent achieved last year, has created a widening gap between investment and savings.
Officials estimated at the

start of this year that in the period to the end of 1991 there would be an annual shortfall of nearly \$5bn, equivalent to about 7 per cent of grose national product, unless steps were taken. Mr Pramual is also an enthn-

stastic proponent of privatisa-tion, and is locked into a political battle in the cabinet over the proposed listing of Thai Airways International. If the decision goes against Mr Pra-mual privatisation would probably be dropped from the gov-ernment's programme, and he would be seriously weakened in his attempt to introduce greater competitiveness into

the banking sector. But perhaps the most serious threat the minister could offer to the established banks is to grant licences to more of the foreign institutions which have been knocking at Bangkok's door for several years.

pointing to the potential for

other, mainly economic, con-flicts. The Thai government has been specifically urged to block any attempt by Singa-

pore to gain influence in Indo-china by using Thailand as a

announcement that it was

sharply tightening the condi-tions under which its nationals

could visit Vietnam was seen in Bangkok as implied criti-cism of the unilateral Thai ini-

tiatives to bring about a Cam-

Singapore meanwhile has sought to play down the impact that its policy towards

illegal foreign workers bas had

on neighbouring countries. This week 500 Indians sought

refuge in their embassy grounds in Singapore as diplo-mats sought to have them repatriated without suffering the legal penalties.

springboard.

Singapore's

bodian settlement.

Top Nakasone aide questioned over Recruit

By Stefan Wagstyl in Tokyo

PUBLIC prosecutors investigating the Recruit financial scandal in Japan have moved closer to the heart of political power by questionhave moved closer to the heart of political power by question-ing Mr Takao Fujinami, a for-mer chief cabinat secretary, about his role in the affair.

Mr Fujinami is the most senior politician to be questioned so far in the scandal which concerns the distribntion of financial favours to infinential people by Recruit, a fast-growing publishing

The questioning of Mr Fujin-ami will increase the political pressure on Mr Yasuhiro Nakasone, the former prime minister, who regards Mr

who might have believed the prosecutor would stop short of investigating senior politicians, if only for lack of evidence. Only one other politician has so far been questioned, an opposition party member. The 13 people who have been arrested are all civil servants and businessmen, including Mr Hiromasa Ezoe, Recruit's founder.

The allegation against Mr

The allegation against Mr Fujinami is that, during Mr Nakasone's administration, he used his influence to help fur-ther Recruit's business inter-

ests. The Tokyo Public Prose-cutor's Office has studied evidence that he allegedly spoke against suggestions that employers should abandon a gentlamen's agreement by which they co-ordinated their approach to potential recruits. The impact of Recruit's

The impact of Recruit's recruitment magazines depended on this agreement. In return, Mr Fullmami's secretary, Mr Eiji Tokuda, received 12,000 cut-price shares in Recruit Cosmos, a property subsidiary of Recruit, which were later sold for a profit of about Y20m (2115,000). A particularly damning allegation is that Mr Fujinami used the money not

for political purposes, but to help pay for a Y100m house he bought in Tokyo. Mr Fujinami separately received Y41m in cash from Recruit between 1986 and 1988, Y18m of it in June last

year - after the scandal

Meanwhile, the LDP's lead-ers yesterday continued their efforts to persuade Mr Masaefforts to persuate Mr masa-yoshi Ito, a 75-year-old elder statesman, to encceed Mr Noboru Takeshita as prime minister. Mr Takeshita, who said nearly three weeks ago he would resign because of his own involvement in the scan-del is having trouble nermad-



Fujinami pictured yesterday

Ito stands firm in quest for Tokyo reform

Stefan Wagstyl on Takeshita's problems in finding a successor as Prime Minister

R Noboru Takeshita, the Japanese Prime Minister, who late last month announced his intention to resign, is finding it more difficult than he expected

to appoint a successor.

His legendary skills in manipulating the vested interests which compose the ruling Lib-eral Democratic Party are being tested to the limit by Mr Masayoshi Ito, the stubborn old man who has been singled out for the prime ministership. Mr Ito will not be bullied. "I browt that senior party officials know that senior party officials have called me obstinate," he told reporters this week. "That makes it more difficult for me

to accept." Mr Ito, a 75-year-old elder statesman, has been chosen by Mr Takeshita and other party leaders because of his clean political reputation. They believe that only he can restore public confidence in the party in the wake of the the Recruit financial scandal, which has tarnished the names of a whole generation of LDP leaders, including Mr Takeshita, Mr Shintaro Abe, the par-ty's secretary general, and Mr Yasuhiro Nakasone, the former

prime minister. The delay in appointing a successor is becoming embar-rassing for the LDP - which hoped the prime minister's resignation might clear the political air - and for Japan as a whole. But the tortuous negoti-ations are vital to the future of Japanese politics, especially for political reform. Mr Ito's reluc-tance to take office is his best bargaining counter: he will never be as well-placed again to demand concessions from

The nub of the argument is that Mr Ito refuses to be a pup-pet prime minister. Even though he is ill, he intends to being banished into the wilder



Ito (second from left) a lieutenant in the faction of Miyazawa (left), is likely to succeed Takeshita (right) as Premier. Abe (second from right) heads the third biggest LDP faction.

do the job properly. As a for-mer prime minister (he briefly took office in 1980 when the incumbent died) and current chairman of the party's execu-tive committee, Mr Ito undertive committee, Mr Ito under-stands the party's inner work-ings. But he is one of few senior ruling party politicians who is serious about political reform. He believes the LDP must change radically if it is to avoid future financial scandals. He will not have his cabinet

decided for him by others. Such idealism makes other party leaders feel decidedly uncomfortable. They believe they are making a great con-cession to public opinion in considering Mr Ito at all. For all his experience in high office, Mr Ito carries little real political clout in the party. The prime ministership is tradition-ally reserved for leaders of the factions which make np the party, such as Mr Takeshita, Mr Nakasone, and Mr Abe. Mr Ito is only a senior lieutenant in the faction led by Mr Kiichi Miyazawa, the former

resigned over his involvement

especially the channels which ness by his imminent depar-ture from office, holds great sway as the leader of the largest faction. The scandal has prompted

some younger party members to establish cross-factional pro-reform groups, but the fac-tion heads reign supreme. Nothing annoys them more than Mr Ito's demand that he should choose his own cabinet. Certainly, the party wants to

see the damage caused by the Recruit effair repaired. It fears losses in elections to the upper house this summer and to the lower house of the Diet (Parliament) in 1990.

But most senior politicians want reform carried out with the minimum possible change to the existing system,

Lower House 71 64	Upper House 49 24
64	24
58	29 .
60	27
23	. 7
11	3 .
2	3
9	5
	11 2

carry money from business into politics. The last thing anybody wants is an Ito revolution," says Mr Dan Harada, a political analyst.

Nevertheless, party leaders are trying to show their com-mitment to reform this week by publishing a programme of specific measures to be enacted by the end of the year. They include requirements for politi-cians to disclose property and stock transactions and reveal more details about the sources of political donations. This might just be enough to satisfy

However, the courting of Mr lio is further complicated by political differences among the senior politicians who are wooing him. Mr Ito is particuwooing him. Mr Ito is particularly incensed about reports that the senior faction leaders are already squabbling over who will be the first post-to prime minister. The favourite is Mr Abe, who has also been hurt by the Recruit affair, though not as badly as Mr Takeshitz

Mr Abe is therefore keen that an Ito administration should be as short as possible. But Mr Ito is apparently hold-

ing out for at least a year in office, rather than six months as originally suggested to him. Party leaders will almost certainly be forced to concede on this point. But Mr Ito is also holding out for something else which the leadership may find harder to deliver. This is a pledge from Mr Nakasone to come before the Diet and explain his role in the Recruit

Mr Nakasone was a chief beneficiary of the financial support which Recruit, a busi-ness information group, disness information group, dis-tributed to politicians and other influential people. Until this week, Mr Nakasone consis-tently refused to explain him-self — to the intense annoy-ance of Mr Takeshita, who believes that since he himself has resigned over the scandal the least Mr Nakasone can do

is to come clean.
Under intense pressure, Mr
Nakasone has this week agreed
to speak — but not necessarily under oath and not until after the public prosecutor investi-gating the affair has completed

an interim report.

Mr Ito has gained support for his principled stand among the younger members of the party and among the general public. But the course of the talks over his appointment show that further shocks may be needed to force the senior party figures to accept the reforms he has in mind.

After all, every Japanese politicism knows that Mr Kakuei Tameka, the last prime minister to resign nver a financial scandal, increased his power in the party after he quit. That was despite the appointment of succeed him. Mr Ito will have his work cut out trying to pre-vent Mr Takeshita from doing

Gorbachev plea

PEKING student activis yesterday they planned to ask Mr Mikhail Gorbachev to discnss freedom and democracy with them during his visit to China next week, Reuter

reports from Peking.

Members of Peking Univereity's protest-organising com-mittee intend to take an open letter to the Soviet embassy in Peking inviting Mr Gorbachev to deliver a speech at their campus, students said.

Troops to go home

Soviet troops stationed in Mongolia's Gobi desert will soon leave for home after guarding against the threat of Chinese invasion for more than 20 years, Renter reports from Ulan Bator. The troops are to leave the remote desert outpost of Shivee Gol, near the Chinese border, before September.

Offshore application Mauritius has received its first offsbore banking licence appli-cation, five months after opening up for business as a tax haven, banking regulators said. Reuter reports from Port Louis. Barclays Bank of Lon-don has applied to open an off-shore facility on tha island.

Algerian rioting

Police guarded public buildings in the east Algerian town of Souk Ahras yesterday after rioting cansing damage esti-mated at tens of millions of pounds, APS news agency said, Reuter reports from Algiers.

Peking students' Arab League visit

BEIRUT hostilities were supposed to cease when a fourman Arab League delegation arrived late on Wednesday, bnt the Arab diplomats and generals who had travelled from Tunis to keep the peace were subjected to the same intense shelling that residents of Bei-rut had endured for the preceding five days. Yet when the discussions

were concluded at 2pm yester-day, the much-violated twoweek-old ceasefire was revived. By evening, this latest truce -the seventh since the artillery battles started two months ago
- seemed to be holding, except
for a few stray artillery rounds in the hills near Souq el-Gharb. The delegation consists of Mr Lakhdar Ibrahimi, the assistant secretary general of the Arab League, Mr Ahmed Abdul Aziz al-Jassem, the Kuwaiti ambassador in Damascus, General Ali al-Momen of Kuwait - who is to head the Arab League ceasefire observer force in Lebanon - and General Moustapha Dargouth from Tunisia, who will also participate in the observer corps. Shells from Christian areas

exploded outside the apartment building where they met Dr Selim al-Hoss, the Moslem Prime Minister, and their subeequent meeting with the Christian General Michel Aoun had to be postponed because his headquarters in the presi-dential palace was under

attack from Syrian artillery.

Lebanese who were initially encouraged by the imminent arrival of the observer force have grown frustrated with the league's refusal to send troops while shelling continues. The Arab League has not

be stationed along the coast of the Christian enclave.

In West Beirut, Dr Hoss, a reticent ally of Syria, earlier made a brief declaration in which he said that the support of the Soviet Union for the Arab League's initiative was essential to its success. Dr Hoss's statement strengthened a growing conviction bere that only Moscow can restrain Syrian troops, who disregarded the Arab League ceasefire all of this week. As living conditions continue to deteriorate in East Beirut, support for Gen Aoun appears to be waning.

revives Beirut truce

The appropriement of a new ceasefire after such an unpropitious morning surprised everyone in the exhausted city, and residents of Beirut were hoping to gain at least a few days of peace from the Arab League's latest efforts.

said how its 312-man observer force will be able to monitor up to 60,000 Lebanese and Syrian soldiers and militiamen, nor has it decided where they will be deployed. Gen Aoun has insisted that they be present in Syrian artillery positions, while the pro-Syrian camp is now demanding that observers

Israeli banks in interest rate row

By Hugh Carnegy in Jerusalem

A BITTER row over high interest rates has blown up in Israel between the commercial rates if the banks did not lower banks and Mr Michael Bruno, governor of the Bank of Israel, the central bank.

After simmering for months, the issue boiled over this week when Mr Bruno launched an outspoken attack on the banks at the normally staid annual general meeting of the Associa-

tion of Banks.

He startled the assembled executives by threatening to last year in a wave of foreign

their controversially high rates on short-term unlinked shekel loans by June 1.

Rates on such facilities, which account for about 20 per cent of commercial and private local loan activity, stand at an average of 36 per cent, a real interest rate of about 20 per

currency buying before a devaluation of the shekel. They have since fallen, but not fast enough for the Bank of Israel, among whose concerns is the slow rate of investment in the sluggish Israeli economy. It wants the rates down to 30 per cent this month.

Today Mr Bruno is to meet the bank heads to start discussions on resolving the matter. The bankers will argue tha

interest rates should fall steadily, not in abrupt jumps. elections.

S Korea student death torture fears

By Maggle Ford in Seoul

A SOUTH Korean university student has been found dead in the provincial city of Kwangju amid fears that he may have been tortured by security

The student had been hunted by police for allegedly violating the national security law. His badly decomposed body was found in a pond about five days after his death. Police have cracked down on students and dissidents since six riot police were burnt to

death during a student demonstration a week ago. President Roh Tae Woo yesterday ordered an immediate investigation into the student's leath, warning that there must be no suspicion of a cover-up by the authorities. Staff in the union of Bar-clays Bank yesterday placed an advertisement in a Secoll newspaper urging the bank's manager, Mr Alan Timblick, to return to the office to continue

Expatriate managers at the bank were refused permission by union members to leave the office last week with cases of documents in order to continue business elsewhere. Police were called and the managers set up a temporary office in a hotel, where they were later found by protesting union

A meeting between the union and Korean bank offi-cers is scheduled to be held

South African cabinet minister to stand down

By Anthony Robinson in Johannesburg

MR Chris Heunis, the Cape leader of the National Party and Minister for Constitutional Development, who was defeated by Mr F W de Klerk in the party leadership contest in February, yesterday announced his decisinn to resign the ministerial post on July 1 and not to stand for re-election at the September 6

His decision follows a similar announcement this week by Mr Stoffel Botha, the Home Affairs Minister and the announced retirement inten-tions of two other ministers, Mr Danie Steyn, (Economic Affairs) and Mr Greyling Wentzel (Agriculture).

Given the resignation of Mr Pletle dn Piessis, Minister of Manpower, earlier this year Manpower, earlier this year after allegations of corruption, the latest development provides Mr de Klerk with a free hand to pick a new cabinet.

It leaves him free to promote younger men loyal to him if, as expected, the National Party wins the election with a confortable majority and he is subsequently elected state presi-

dent in succession to the retiring President P W Botha. Mr Heunis, who was chosen by Mr Botha to succeed him as Cape party leader, seemed the heir apparent until he was nearly defeated by Mr Denis Worrall, the former ambassa-dor to London, in the May 1987 elections. Since then his stock has continued to fall as the bureaucratic empire he built mp to provide a constitutional framework for reforms aimed at bringing blacks into govern-ment, without whites losing control falled to deliver. On Wednesday the Rev Alan Hendrickse, leader of the rul-ing Labour Party in the colottred House of Representa-tives, delivered a humiliating blow to the minister when his

party refused to approve the constitutional affairs budget on grounds that there had been no constitutional development.

Mr de Klerk is due to make a major policy statement in parliament today, spelling out the main themes of the party's electoral manifesto and setting it along a more determinedly reformist path.

Sri Lanka's future balanced between hope and fear

The government may never regain full control of the embattled country, writes David Housego

RI Lanka these days feels like a country banging precariously between faint glimmerings of hope about its future and deep forebodings of a further slide towards

anarchy and revolution. The hope springs from some of the changes since President Ranasinghe Premadasa cama to power at that beginning of the year. Preliminary peace talks began last week between the Tamil Tigers, the main guerrilla force in the north, and the new gov-ernment, thus holding out the prospect that negotiations could bring a settlement to the Tamil conflict, which 60,000 Indian troops and two years of fighting have notably failed

Students returned to the universities on Wednesday after almost two years in which the main campuses have been closed. Colombo's main streets again bum with traffic, in contrast to the strikes and shutdowns that left them deserted at the end of

Tourists have begun to creep back to the resorts on the southern coast. There is even talk – though it may be too optimistic – that some members of the extremist Sinhalese JVP movement which has been behind the violence in the south might also want to come to the negotiating table. The forebodings come from the fear that the government is clutching at straws and that the divisions that haunt the island remain as intractable as ever. Take the talks with the Tamil Tigers. The Tigers clearly stand to make gains from these - some legitimacy, a respite from the fighting and the prospect that the government will fully endorse their own demand for an Indian withdrawal. But their minimum demands for a settlement, most observers believe,

would involve a substantial devolu-tion for a merged north and eastern

province, the dissolution of the exist-

ing Indian-supported provincial coun-cils, and ownership of land reserved for Tamil residents. Most Sinhalese

Sri Lankan ministers and Tamil guerrillas yesterday began their first formal talks aimed at ending violence which has killed 10,000 people in six years, officials said. The ministers and the Liberation Tigers of Tamil Eelam declined to give details of the talks but officials said a statement would be issued later.

feel such a settlement would be the first step to granting the Tamils a separate state. Ceding this would swell the support for the JVP. Likewise, though the universities are back, this has been at the price of concessions that are likely to whet the students' appetite for more, and transform the campuses into spring-boards for JVP agitation. Colombo is peaceful. But great tracts of the north, east and southern provinces are no-go areas for security forces in the day time. Over 2000 people were killed by "death squads" in the last four

In its public statements, the JVP has not shifted from its revolutionary goal of forcing the president's resignation. Members have perfected the technique of nsing land mines to destroy moving police vehicles. They are counting on hostility to Indian troops, on opposition to concessions to the Tamils and on economic discontent to swell their numbers.

In such circumstances, Mr Prema-dasa has taken on almost sin-gie-handed the task of finding a way out of the tunnel. Some call his approach foolbardy self-confidence. Others say be is "navigating in the dark". Others believe that his modest origins give him the right caste cre-dentials to talk to the lower-class revolutionaries who face him.

Under his authoritarian rule, dehate has vanished from cabinet meetings. The press complains of a lack of news. He is sensitive to his image, as the scandals about his wife have shown. He has shown himself vulnerable to bad advice, as in the initial manage-

ment of the economy. ment of the economy.

Mr Premadasa's hope is that one of his plans will bear fruit, providing him with one success on which he can hope to build others. He is also counting on his Jana Savya (Self Reliance) welfare programme to win him support among the poor and unemployed who have so far been the main recruiting ground for the JVP, though he may have raised expectations too high.

The president has a weaker position in Parliament than his predecessor and lacks the two-thirds majority ann lacks the two-thirds majority needed to change the constitution. Many in his party believe he will fail, and there is already speculation on who might replace him.

He is nevertheless a fighter with no hesitation about using ruthless means to achieve his ends. Some Sri Lankans, however, begin to think the gov-ernment in Colombo will never regain full control over the island and that: this is a situation the Sinhalese will have to learn to live with.

Kashmir terrorism flares again after Moslem fast

By David Housego in New Delhi

TERRORIST violence has returned to Kashmir after a lull during the month-long Moslem fast of Ramadan.

Shops and offices were closed and streets deserted in the centre of Srinagar, the capital, as part of a strike called by militant Kashmiri Moslem groums seeking more autonomy. groups seeking more autonomy for the province. Two people were killed on Wednesday night and four injured when interrorisis threw a bomb from a motor-bike into a liquor shop. The attack was evidently intended to deter Kashmiri Moslems from breaking the Islamic probibition on drinking

alcohol.

Wednesday night's explosion brought the number of blasts in Srinagar and nearby Anant nag up to 13 since the week-end. The extremist organisations had threatened to resume their campaign once Ramadan

was over.

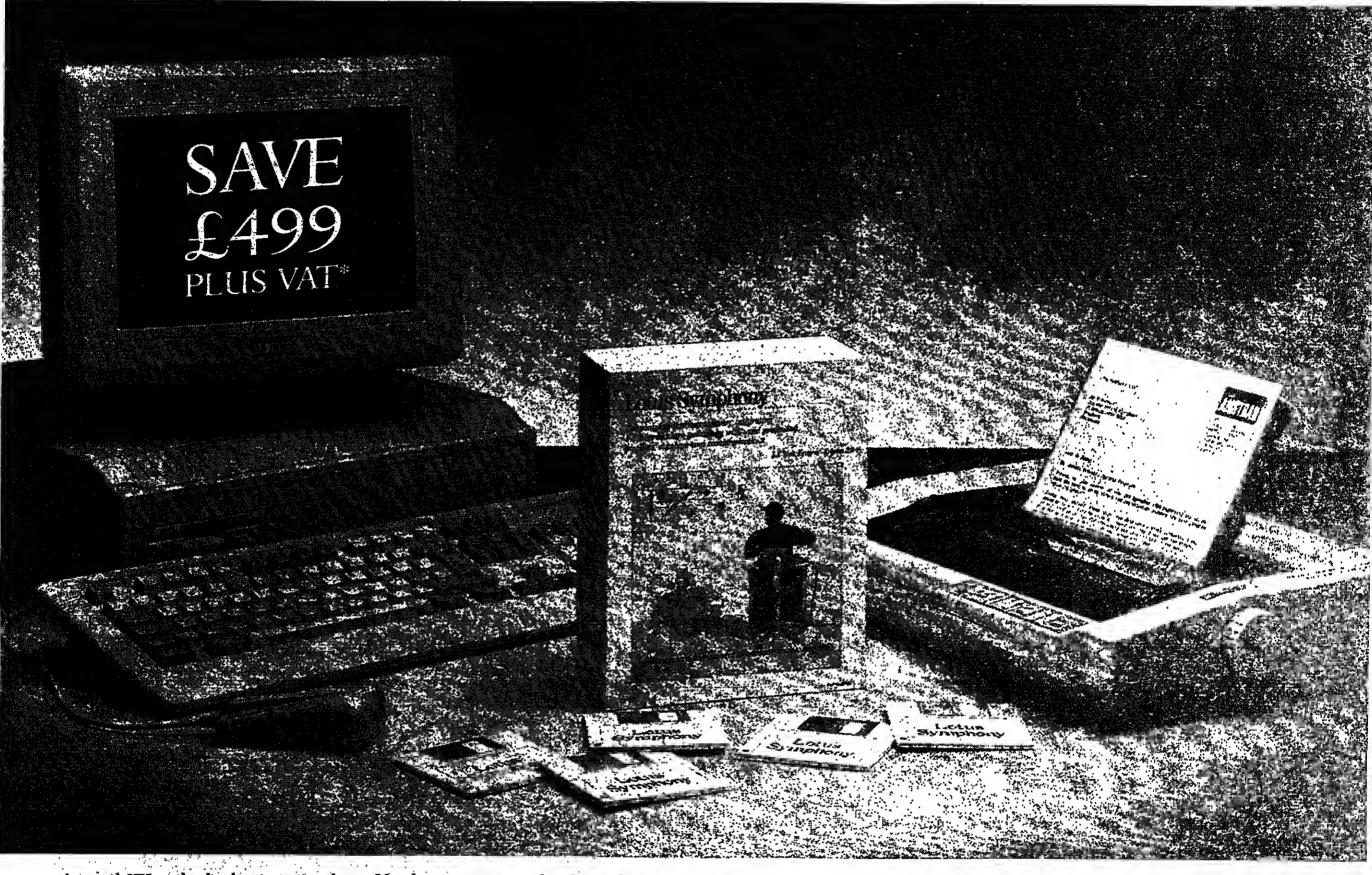
The Indian anthorities describe the movements as "secessionist" and hacked by Pakistan, which they accuse of training and arming the terrorists. They increasingly draw parallels with the Punjab and the conflict with Sikh extremists.

Extramist organisations Extramist organisations began to spring up in 1987, after state elections in the province which the Moslem opposition parties denounced as rigged. Anti-Indian and pro-Pakistan sentiment has grown on the back of rising unemployment and what Kashmiri Moslems feel is india's denial of their regional and religious of their regional and religious

In response to the growing violence, New Delhi has sent more paramilitary forces to the province and intensified patrol-ling of the border.

identity.

AMSTRAD AND LOTUS SYMPHONY. THE ULTIMATE BUSINESS SOLUTION FROM £999+VAT.*



Amstrad, UK market leaders in personal computers, have teamed up with Lotus: the undisputed leader in business software.

The result?

zadis

The most impressive business package we've ever offered.

It consists of one of our PC2086 computer systems, a choice of Amstrad LQ printer and, of course, Lotus Symphony Release 2.0 software.

And because we're giving you a choice

PC2086 Single Drive, 12-mono display, 1Q3500 & Lotus Symphony	£999+VAT*
PC2086 Single Drive, 12 mono display, LQ 5000.8 Lotus Symphony	£1099+VAT*
PC2086 Twin Drive, 12-mono display, LQ3500 & Louis Symphony	£1149+VAT*
PC2086 Twin Drive, 12* mono- display, 1,Q5000 & Lotus Symphony	£1249+VAT*
PC2086 Hard Disk, 12° mono display, LQ3500 & Lotus Symphony	£1399+VAT*
PC2086 Hard Disk, 12-mono display, 1Q5000 & Lotus Symphony	£1499+VAT*

of hardware, you can tailor the package to fit your own individual business needs.

The system unit is the Amstrad PC2086 which, despite being a relative newcomer to the market, has already proved itself by picking up a prestigious award from "What Micro?" magazine.

But that's not surprising. The PC2086 is supplied as a complete unit. Monitor, keyboard, operating software and mouse are all included as part of the standard system.

You have a choice of single or twin 3½" floppy disk drives. Or, if you prefer, we can supply your PC2086 with a 30Mb hard disk drive.

And that's not all. The built in 5%" floppy disk drive adaptor on all models ensures complete software versatility. (Instead of transferring data onto 3%" disks, you simply plug your own 5%" drive into the side of the PC2086.)

We also offer a range of four VGA compatible monitors, colour and mono, to give you the very latest high resolution graphics.

As far as printers go you can choose between the Amstrad LQ3500 or the wider carriage LQ5000.

Both are 24 pin dot matrix printers with dual speed for draft quality and letter quality printing. And they each have friction and tractor feed, allowing you to use individual sheets as well as continuous stationery.

So why, after giving you a wide choice of hardware, do we give you just one choice in software?

Simple. When it comes to fully integrated business software, there's really only one choice. Lotus Symphony is the brand leader. It incorporates 1-2-3 spreadsheet technology, word processing, database, graphics and communications functions.

Also, whichever combination you opt for you'll save an incredible £499 plus VAT.*

If you'd like to know more about the Amstrad-Lotus Symphony package, talk to your local Amstrad dealer.

We're sure you'll find that for your business, this package really is the ultimate solution.

Please send me further information on the Amstrad and Lotus Symphony package.	e
Name	_
Company	_
Address	==
∤ FTES	89
	74
Postcode	
Tel.———	3
Amstrad plc, PO Box 462, Brentwood, Essex CMI4 4EF. Telcphone: 0277 26232	6.







Limited period offer available from most Amstrad Advanced Systems Centres and Amstrad Authorised Business Dealers. Offer ends 30.6.89. *VAT inclusive prices from £1148.85 to £2126.35. RRPs without special offers, excluding VAT, PC2086 from £599 to £1349, LQ3500 £349, LQ5000 £449, Lotus Symphony £550. All prices correct at 1.4.89, but may change without notice. Products subject to availability. Software subject to licence. Symphony, 1-2-3 and Lotus are trademarks of Lotus Development Corp. The Amstrad name and logo are registered trademarks of Amstrad plc. All rights reserved.

By Colina MacDougali in Paking

A GROUP of British companies trading with China announced yesterday it bad agreed six

authorities.
The long-established group, called the 48 Group, clans to implement these programmes in coastal and Yangtze prov-

inces.

The programmes are to be spread over six years, starting next year and encompassing China's eighth five year plan (1991-95). If successful, \$900,000 a year would be added to Sino-British trade, now worth about

fibn a year.
The division of the trade among Chinese provinces has been exhaustively discussed with Chinese officials. Some \$1.3hn of trade will be with Shanghai, Sibn with Liaoning and Jiangsu provinces, \$800,000 with Tianjin, \$700.000 with Sichuan province and \$600,000 with Wuban. Items agreed with the local anthorities inciude technical modernisatioo, technical transfer, joint venture projects and co-opera-

Mr Jack Perry, a prominent member of the 48 Group as chairman of the London Export Corporatioo, cooceded that the scheme might sprear ambitious, hut he insisted that the figures were "serious, realistic and could be accom-

The 48 Group plans to opeo offices in the provinces in sddi-tion to its ones in Peking and

Norway makes gas carrier order

Bergesen, Norway's leading bulk shipowner, has ordered two 78,000 cubic metre LPG gas carriers valued at NKr900m (£78m) from Japan's NKK Corporation, Karen Fossli reports from Oslo. The gas carriers will be delivered in 1991 and will be registered in the Norwegian International Shipping Register. In the last year Bergesen has invested some NKr3hn in new ships. It curreotly owns and operates the largest LPG fleet in the world.

Vacancies hit trade decision-making

By Nancy Dunne in Washington

IN JUST THREE weeks the Bush Administration is required by law to make public a "bit list" of "Super 301" countries whose eignificant export barriers could become targets for US retaliation.

However, this vital decision-making is proceeding with key vacancies in both the US Commerce Department and the US Trade Representative's Office hecause the Administration is moving only sluggishly to place its top-level political appointees in office.

Altbough Mrs Carla Hills, the US Trade Representative, has many important staff who have carried over from previous administrations, her three appointed deputies – Mr Julius Katz, Mr Linn Williams and Mr Rufus Yerxa – are still awaiting Senate confirmation.

Mr Dennis Kloske, a Pentagon official who is to take charge of the export control regime at the Commerce Department, has not even been officially appointed.
The White House attributes

the delay in its nominations to the extensive thought and hackground checks involved in the cboices. However, the letbargic pace is reportedly bolding up formulation of

trade policy.

A longtime Commerce
Department official said career
employees are "just treading The political appointees bave not yet arrived or are working at their jobs with an "acting" before their title. There are no

bosses to report to or to take final decisions. According to one report, the "trade policy review gronp," which makes recommend ations to the higher level Economic Policy Council, has eo many vecancles it has been unable to work effectively, which accounts for the delay in the formulation of a steel

Honda loses Argentina factory battle

HONDA of Japan has lost a five-year bureaucratic battle to build a motorcycle factory in Argentina's eecond largest

Argentina'e eecond largest city, Cordoba.

The collapse of Honda's hopes come at a particularly delicate moment for Mr Eduardo Angeloz, Cordoba's governor, who hopes to be elected as the country'a president for the governing Radical party on Sunday. Mr Angeloz had publicly backed Honda's proposal, regarding it as an proposal, regarding it as an

important step in the attrac-tion of foreign investment to Argentina and in particular to his province.

Murat Eurnekian, recently appointed to the cen-tral government post of Secre-tary of Industry and Foreign Trade, has resolved that Zanella, an Argentine company based in Cordoba, will be awarded the right to produce

Honda'e original plan was to establish a plant eventually

125cc and above, after six years. Honda already operates a factory in Sao Paulo in Bra-zil, and its idea was to harmon-ise production between the two plants. The Argentine plant would have meant an initial

investment of about \$20m. Honda's plans met with considerable resistance from local Argentine parts manufactur-ers, whose lohby would appear to have now finally won the day. Zanella proposes an investment of 26m australs (about \$260,000 at current rates

of exchange).

The collapse of the Honda proposal has political overtiones, particularly as central government has decided to reject it so close to Sunday's providential alection. Some

reject it so close to Sunday's presidential election. Soma sources regard the Radical government'e decision not to hand the contract to Honda as little less than a direct snub to its own presidential candidate, Mr Angeloz.

with China By Lymon McLain

Lufthansa

signs joint

venture deal

LUFTHANSA German Airlines and Air China have signed a joint venture agreement for the training of personnel for the maintenance of China's civil

aircraft. Lufthansa will provide

Lufthansa will provide DM400m (£127m), which represents 40 per cent of the capital required for expansion and modernisation of the Chinese national airline's technical base at Peking. China will provide the remaining 60 per cent. Mr Heinze Ruhnau, chairman of Lufthansa and Mr Reinhardt Abraham, tha deputy chairman, signed the agreement in Peking after it had been approved by the Chinese State Planning Commission and the Council of State. Formal approval from the Chinese Foreign Ministry is expected within three months.

The venture is to be managed by Mr Werner Hune, a

aged by Mr Werner Hupe, a Lufthansa executive who has spent four years in China pre-

spent four years in China pre-paring the project. Work is to begin in August.
Lufthansa aiready has a joint venture in China, with Peking City Council. This has taken the form of a joint ven-ture company, the Peking Luf-thansa Centre company, which was formed in November 1987 to develop a DM22m hotel and Regisses centre in Peking. business centre in Peking.

Lufthansa said then the cen-tre would be a base for entre-preneurs seeking to establish business ties with China. The

work Development Corporation of China and Lufthansa participate in the joint venture company on a 50/50 basis.

Short Brothers will probable high a feet basis.

company or not, writes Robert Gibbens in Montreal. Bombardier, owner of Cana-dair, said it had asked Short to

Short. Bombardier was examining

Bolivia seeks formula on gas sale arrears

By Robert Graham in Buenos Aires

ARGENTINE and Bolivian officials are due to begin talks next week to find a formula for Bolivia to recover some \$200m arrears on gas sales. Bolivian gas sales to Argentina account for more than 40 per cent of its

\$450m exports.

Despite this dependence and Bolivia'e acute shortage of for-eign exchange, Argentina has fallen behind in payments both for current gas deliveries and on debts due since 1986. Argen-

tina is understood to owe Boll-via \$98m for the first of this year, plus a further \$120m due from 1986 and 1987.

The Argentine government has excused the debts on the basis of its economic difficulties. However, the Bolivians have been arguing that their own financial position is even more precedent. more precarious. The total Argentine debt represents a third of all external financial requirements for capital spend-

ing this year.

Recognising Argentina's difficulties, the Bolivians recently approached Spain for a \$120m bridging loan until Buenos Aires was in a position to

However, when these approaches failed, Bolivia's President Victor Pay Estens soro sent a personal note to President Raul Alfonsin of Argentina insisting that the matter be settled urgently.

Corruption is also a problem.

Justice Minister General Ismalel Saleh has said that per-haps as many as 30 of his

judges were corrupt and abused their official privilege. On a lighter note, a Jakarta housewife, the plaintiff in a

recent smuggling cass, achieved some sort of notoriety when she took off her stilettos

and launched them at the

bench. She alleged the judge had taken a bribe to pass a heavy sentence on the defen-

dant, and then reneged on the

This note was delivered to President Alfonsin on May 5 by Mr Fernando Romero, the Bolivian Planning Minister, and it was agreed that talks should resume following the weekend elections in Argentina.

Relivia has so far only been

Bolivia has so far only been able to sell its gas to Argentina. An outline agreement was signed last year with Brazil. However, the Brazilian state oil concern, Petrobras, has had reservations about the sale.

Institute, and Walhi, the envi-

a direct line to the President".

said a Jakarta columnist. The son of one of the Republic's most famous freedom fighters

"In Indonesia if you want to get heard it's no good sitting in Parliament. You have to have

ronmental watchdog.

centre is to open in 1990-91.

The Peking Municipal Commercial Service and the Net-

bly build airframe parts for the 50-senier Canadair Regional Jet, whether Bombardier makes a bid for the Belfast

bid on RJ parts before the British Government placed it on the list of potential buyers of

Short for potential synergies

Smuggling case makes ripples in muddy legal waters John Murray Brown looks at controversy and political struggle over the role of Indonesia's judiciary growing. The main thrust of the attack has not come from the cabinet or even the some-what resuscitated legislature, but from so-called non-govern-ment bodies like the Legal Aid

A COURT CASE, involving the smuggling of 9 VCR video recorders is the unlikely cause of an emharrassing political struggle over the role of the legal profession in Indonesia.

A receot court decision in which a six mooth suspended sentence was imposed on a Chinese-Indonesian husinessman has divided the country's main law bodies, and been criticised as too lenient by both President Suharto and his Attorney Geoeral, Mr Sukarton Marmosydiese.

Marmosudjooo, At a time when governments in Malaysia and Singapore are increasingly challenging the judiclary's independence the profession in Indonesia decided to hit back st what is seen as official interference.

The country's legal bar association turned on its critics suggesting if the Attorney General thinks the setence too lenieot, he can appeal to the High Court.
The Government's attitude towards the independence of its judiciary has always been a

little vague. In 1967, for example, after sustained US criti-cism the Indonesian Supreme Court staged a dramatic volte-face in a case of alleged hreach of trademark reversing its earlier decision in favour of the American shoe makers Nike,

In the most recent smuggling case, Amdiral Sudomo, the minister overseeing inte-rior security matters, said the sentence would be respected. However he added judges should adapt their verdict to the spirit of development. In Indonesia smuggling has always been a major problem. Forty years ago when the

country was fighting for Independence from the Dutch smuggling provided a vital supply lins. Even under the Republic some military officers have engaged in smuggling to flesh out their rather meagre pay-checks. Since President

Suharto came to power in the

mid 1960s smuggling has

remained an issue, and a con-siderable drain on government



Since President Suharto came to power in the mid 1960s, emuggling has remained a major issue, and a drain on government tax revenues

In 1985 in a bid to stem what was the widespread smuggling through the ports the govern-ment contracted Société Générale de Surveillance (SGS), a private Swiss company special-ising in international customs

inspection, to run the Indonethe authorities launched Operation Sringunting to stop illegal trade with Singapore.

Whisky for example ends up on Jakarta support and support support of the support of t

on Jakarta snpermarket shelves with a label reading bottled duty free in Singapore. The Attorney General even proposed smuggling be treated as subversion, a capital offence The decision handed down

by the Jakarta district court on Mr Tan Tek Siong is but the latest in a series of similar trails. President Suharto, when he heard the verdict, reportedly exclaimed the verdict outlies have becomed in the series of the series this have happened?".

In some respects many Indonesians may well share the governmente's misgivings about a legal system inherited from the Dutch now badly in need of revision. University lecturers have been heard to complain that law students donot understand soms of the basic principles underlying the country's law.

The growing calls for a cleaner legal system, which President Suharto himself urged in a speech before Parliament, are seen as part of a growing popular campaign for a range of equity issues, like land rights, industrial pollu-

tion and corruption. Home Affairs Minister General Rudini has gone out on a limb to criticise the "get rich quick" attitude of many wealthy Indonesians, at a time

is currently on hunger strike to focus public attention on land right issues.

Walhi, going one step better, is suing the government or more accurately the Ministers of the Environment, Forestry and the Head of the Investment Form. Head of the Investment Board under a 1986 Environmental Impact Law over a private timber and rayon project in Suma-tra which locals say has caused deforestation and water pollution. Twire the case has been adjourned — apparently because the government has still to select its defence cousel.

with Canadair and it would decide whether to bid soon.

Today, Nomura opens the Munich Office of Nomura Europe GmbH

Nomura Europe GmbH, **Munich Office** Ottostraße 5

8000 Munich 2, F.R. Germany Telephone: 089-596332 Facsimile: 089-597831 Representative: Hiroshi Tanaka



NOMURA EUROPE GmbH Head Office: Hamburger Allee 2-10, 6000 Frankfurt am Main 90, F.R. Germany Tel: 069-794050

THE NOMURA SECURITIES CO., LTD. Tokyo Head Office Tel: (03) 211-1811, 211-3811

Worldwide Network: London, Paris, Amsterdam, Zürich, Geneva, Lugano, Brussels, Milan, Stockholm, Madrid, Luxembourg New York, Chicago, Los Angeles, San Francisco, Honolulu, Toronto, Montreal, São Paulo, Bahrain, Hong Kong, Singapore, lakarta, Bangkok, Kuala Lumpur, Beijng, Shanghai, Secul, Sydney, Melbou

Issued by The Nomura Securities Co., Ltd. and approved for circulation in the UK by Nomura International pic, a member of TSA

SOME FIGURES SHOW TALENT.

The group's share of consolidated income increased by 28% in 1988. Net dividend per share to be proposed at our shareholders' AGM on 31st May 1989 amounts to 13.00 French francs, representing a rise of 30%.

The group's high productivity and diversity enabled it to take full advantage of favourable changes in the banking and financial environment.

THE KEY FIGURES

- Net banking income: 31,056 million French france (up 8.4% over fiscal year 1987).
- Operating expenses: up 9% due to the very rapid growth of specialized finance subsidiaries. For Société Générale itself, the rise was only 2.6%.
- Gross operating income: 9,839 million French france (up 7.1%).
- Country risk coverage rate rose again. The ten largest country-risks (79% of total country-risks) are now covered
- Equity: The Group's equity increased from 25 to 29.5 billion French francs (up 18%). Moreover, in September 1988, the Group issued convertible bonds with share subscription warrants, representing a potential equity increase of 5.67 billion French francs by the end of 1996. - Net income: 3,578 million French francs (up 33.6%) of which the Group's share was 3,041 million French francs
- Total dividends: 769 million French francs (up 37.6%).

THE KEY FACTS

customer loans increased overall by 18.2%, including a

note worthy rise of 19% in corporate loans. Consumer loans owed to the bank and it's credit subsidiaries rose by 15%, while customer deposits grew by 11%.

- Managed investment funds showed steady growth. In June 1988, total managed funds surpassed the previous highest level, achieved before the stock market crash of October 1987. Two new investment funds were created, specialising in European securities: Cityfund and Sogibéria.

- The group strengthened its international position in options trading: it now has 20% of the foreign exchange options market in Japan, leadership in Europe, and 50%

- The group consolidated its leading position in the French leasing market: real property leasing (income up 77% in one year) and capital equipment leasing (up 41%).

Our 1988 Anstual Réport will shortly be available. Contact your nearest Société Générale Office.

CONSOLIDATED INCOME IN MILLIONS OF FF	1988	% variation 1988/1987
NET BANKING INCOME	31,056	+ 8.4
OPERATING EXPENSES	21,217	+ 8.5
GROSS OPERATING INCOME	9,840	+ 7.1
NET ALLOWANCE TO PROVISIONS	4,693(1)	- 7.4
NET INCOME	3,578	+33.5
OF WHIGH GROUP SHARE	3,041	+28.0
CONSOLDATED NET INCOME PER SHARE (IN FRANCS)	54.4 (2)	+28.0

SOCIÉTÉ GÉNÉRALE

LET'S COMBINE OUR TALENTS.

Time 'not ripe' to enter EMS

By Peter Norman, Economics Correspondent

BRITAIN'S high rate of other full members of the EMS. Committee report. The report BRITAIN'S high rate of other full members of the same inflation, its huge current account deficit and the large also believes that Britain's gap between high British and lower European interest rates lower European interest rates have persuaded the Bank of England that the time is not ripe for Britain to become a full member of the European

RIDAY WAY

emon belan

Monetary System.
At a time when the cabinet is reported to be divided over whether to tie sterling to other European Community currencies in the EMS exchange rate mechanism, the Bank has sided with the Prime Minister

in saying no.

However, the Bank's reasons are technical rather than political. They reflect a jndgment that the British economy is

pean market, with its free flows of capital, goods and labour, would be far more difficult in the fixed exchange rate

regime of the EMS.

The Bank has in the past been regarded as a supporter of early entry for sterling into full membership of the EMS. Other supporters are Mr Nigel Lawson, the Chancellor, and Sir Geoffrey Howe, the Foreign Secretary.

But the Bank sees no contradiction between its reinctance to join the EMS now and the that the British economy is fact that four weeks ago Mr Although the Bank clearly currently out of kilter with Robin Leigh Pemberton, its hopes interest rates will not that of West Germany and the governor, signed the Delors have to rise again, there are

plots a three stage move towards economic and mone-tary union in the EC and includes the proposal that Britain should become a full

EMS member in stage one.
Although the Delors report
proposed that the first stage of towards union should start in July next year, the Bank regards the question of Britain joining the EMS exchange rate mechanism as an issue for the end of that stage and no dead-line her see for that

line has been set for that.

The Bank's quarterly bulletin, published yesterday, outlined the economic problems that have prompted its opposition to full EMS membership.

Although the Bank clearly

substantial risks surrounding

its policy. Industrial disputes in support of higher pay, the possibil-ity of interest rate increases abroad or impatience in financial markets with the slow adjustment underway in the British economy could force higher rates. One problem that has flaired up since the bulle-tin was finalised is the rise in value of the dollar.

The Bank believes this is

unwelcome to all the major industrial countries and the decision of cantral banks to allow the dollar through the DMLS harrier earlier this week was a change in intervention tactics rather than a change in the Group of Seven strategy of aiming for broad currency sta-

City views on export bank

By Peter Montagnon, World Trade Editor

THE Bank of England has been discreetly sounding out banks in the City about the idea of setting np an export bank with participation from clearing banks and other pri-vate sector institutions politics." involved in export finance.

The talks have been purely exploratory but the Bank is expected to set up a working party soon to examine in greater detail the question of whether such a bank could play a useful role in providing expected with finance at according exporters with finance at com-

The idea of setting up such a bank has come up before but met little enthusiasm from the

export community.

It has been revived by the Rank because interest in the idea has resurfaced in connection with the current review of the status of the Export Credits Guarantee Department which is expected to lead to major organisational changes in that institution.

Bankers believe it will call for ECGD's flourishing short-term insurance business to be hived off into a separate public corporation which could expand into Europe after 1992 and might eventually be

privatised. There are, however, ques-tions in the City about what would happen to the loss-mak-ing project division of ECGD on which capital goods exporters depend for support.

Britain seeks Lawson launches onslaught on Labour economic policy

By Philip Stephens, Political Editor

MR NIGEL LAWSON, the Chancellor, yesterday began the Government's onslaught on the Labour Party's new economic strategy by labelling it "the higgest repackaging exer-cise in the history of British

Speaking to the Conservative conference in Perth. Scotland. Mr Lawson said that it was clear that there had been no fundamental shift in Labour's socialist approach.

He said that Mr Ken Livingstone, the left-wing Lahour Member of Parliament (MP), had got it right when he told an interviewer this week that the results of the review were "classically in the tradition of the sort of fudge we had from

Wilson in the 1960s." After hitterly opposing every single act of privatisation Labour now said that It would not renationalise - it would merely seek state control by another name. After voting against every single reduction in income tax, it professed now to be converted to the merits of lower taxation in principle -

practice.
Mr Lawson added that Labour had "even discerned the merits of free market capitalism - provided it is forced to dance to their own socialist

provided it could raise it in

In a foretaste of firther attacks once Labour's review documents have been formally as long as is needed inflatioo down again.

published and closely examined by Conservative Ceotral Office, he said that the opposi-tion had deliberately omitted any costings from its public

spending programmes.

The reason was that they could only be met by "a swingeing increase in taxa-tion." That made it clear that the "socialist leopard" had not changed its apots after all, he

The Chancellor defended the Government's own decision to hold interest rates at their present high levels to squeeze inflation and reaffirmed his determination that they would stay "as high as is needed, for as long as is needed", to get

Warning for overseas economies

By Peter Norman, Economics Correspondent

INFLATIONARY pressures in the main overseas economies are greater now than they were six months ago and the path of measured inflation has been stronger than was forecast, the

Bank of England said. In its latest quarterly bulletin, the Bank said the short-term prospect is for a fur-ther edging up of inflation, after consumer prices rose by 4 per cent over the last 12 months in Britain's six Group of Seven trading partners.

The Bank suggested that the recent tightening of policy among the six should be enough to slow demand growth to a more sustainable rate. But it remains unclear whether it will be sufficient to reverse the

rise in inflation. The Bank's hulletin said that the US should take more convincing action to cut its Bud-get deficit in support of its eco-nomic policies. The bulletin suggested that West German and Japanese monetary poli-cies have been tightened sufficiently. But this judgment was made before the latest rise in the dollar's value which cams after the Bulletin went to

1000

Nonetheless, the Bank said it expects a slowdown in overall gross national product growth for the US, Japan, West Germany, France, Italy and Can-ada from 4.2 per cent last year

But it does a somewhat to be the proposal from Nicholas Brady, US Treasury and from 4.2 per cent last year

Contributions to chan	ge in the visible	balance #
£ biffions	1988 compared with 1987	1989 Q1 compared with 1988 Q4
Total change	10.4	0.3
of which:		
Oil	-1.8	-0.2
Non-manufactures	-1.6	0.3
Manufactures .	-6.9	0.2
of which:		
Erratics	-1.0	0.1
Semi-manufactures	-1.7	-0.2
Cars	-1.6	. 0.1
Other consumer goods	-1.2	0.2
Intermediate goods	-1.7	
mermediale goods		0.2
Capital goods	0.7	-0.1

to 3.3 per cent this year, 2.5 per cent in 1990 and 2.6 per cent in 1991. World trade growth is

also expected to slow from the 7.5 per cent estimated for 1988. The Bank expects inflation among the six to rise to 44 per cent this year from 3 per cent in 1988 and then slow to 3.9 per cent in 1990 and 3.7 per cent in 1991. It forecast that US infla-tion, as measured by the con-sumer expenditure deflator,

would average around 5.25 per cent during the forecast period. The Bank acknowledged that the tighter policies in industrialised countries will worsen the problems of debtor nations. But it took a somewhat down-

plans should be backed with money from the International Monetary Fund and World

"The proposals have already aroused considerable, and probably unrealistic, expectations among debtor countries regarding the scale of relief on offer," the Bank said.

believes the present mix of tight monetary and fiscal poli-cies should bring inflation in Britain under control. But it also has warned that much better news on inflation and on the balance of supply and demand in the economy would be needed before it can

Within the UK the Bank

contemplate a loosening of pol-If the underlying message of the Bank's last bulletin in Feb-ruary was "so far, so good", the motto of its latest offering could be "so much further, so much better." But behind this view is the clear understanding that the Bank would not hesitate to tighten policy if conditions unexpectedly deteri-

In its report, the Bank said recent revised statistics have reinforced the impression of exceptionally strong growth in demand and output for much of last year, especially in the third quarter.

Personal incomes are estimated to have risen by more than 10 per cent last year with real disposable incomes up by nearly 5 per cent. Although the savings ratio, which at one point was thought to have dropped to 1.3 per cent in the dropped to 13 per cent in the third 1988 quarter, is now reported as having increased from 3 per cent between July and September to 4 per cent in the October to December period, expenditure figures show that demand grew a rapid 7 per cent in the year.

rapid 7 per cent in the year. The Bank said fixed investment is now estimated to have increased by nearly 12 per cent last year. Profits of non-North Sea industrial and commercial companies, while generally strong, fell somewhat in the final quarter of last year.

Electricity strike a step closer

INDUSTRIAL action in the electricity-supply industry came a step nearer yesterday after leaders of 76,000 manual workers rejected an improved pay offer of 7.5 per cent.

The unions will today issue a circular to shop stewards, detailing plans to start an overtims han and a freeze on the

tims ban and a freeze on the introduction of new working practices, from May 24 unless

the offer is improved. Union leaders believe it will be extremely difficult to persuade a majority of their mem-

INDUSTRIAL action in the electricity-supply industry came a step nearer yesterday bers to accept an offer below is cant that the council had not said the 7.5 per cent offer was the recent rises in inflation, interest rates and settlements in other sectors.

The Electricity Council will be consulting the Central Elec-tricity Generating Board and the 12 area distribution boards in England and Wales to see what room there is to improve

what from there is to improve the offer.

Mr Fred Franks, an official of the EETPU, the electricians union, who is leading union

The council said: "We went as far as we felt able today. No further meetings have been agreed at the moment but this could be done at short notice." The unions - the EETPU, the AEU engineering union,

the GMB general union and the TGWU general workers union – told the council they would not want to attend a furunion, who is leading union ther meeting unless it was pre-negotiations, said it was signif-pared to improve the offer.

UK to seek worldwide accord on environment issues

By Richard Donkin

THE British Government is leading an attempt to secure worldwide co-operation on controls over the output of green-house gases and the destruc-tion of the tropical rain forests, both regarded as significant contributors to global

warming. The move is in response to a broad consensus of scientists and meteorologists which believes that gasses such as carbon dioxide emitted by cars and power stations could be contributing to a forecasted rise in world temperatures.

Though international agreement over the extent of the rise and the consequent damage caused by melting polar icecaps is still to be reached, Mrs Margaret Thatcher, the Prime Minister, was convinced at the recent Downing Street "green" seminar that urgent

action was needed.

She also gave her blessing to proposals for Britain to seize the initiative by drafting an international framework con-vention similar to the Vienna Convention drawn up in 1985 to set ont the principles for guidelines and research into ozone depletion. The conven-tion provided the umbrella for the Montreal Protocol in 1985 which called for a 50 per cent reduction in output of chloro-

fluorocarbons (CFCs) by 1999. Mr Nicbolas Ridley, the Environment Secretary, described the move yesterday as the "first fruit" of the prime minister's seminar and "probably hy far the most important thing that has happened this week, if not this year."

The idea of a framework convention on climate change has been discussed for some time and was widely supported at the ozone layer conference hosted by Britain in March. The British Government bas now taken it to an advanced

started preparing a first draft. The proposals are to be put by Lord Caithness, the environment minister, to next week's governing council meet-ing of the United Nations Environment Programme in Nai-robi. He will also be urging the strengthening of UNEP and asking member states to follow the UK lead of more than dou-bling its financial contribution

to the organisation. Mr Ridley said he would resist any enforcement powers in the convention and pre-dicted that Nairohi was the stage and it became clear yes-terday that the Department of the Environment had already start of a "long saga of develop-ing understanding" that would evolve over perhaps 50 years.



They will The year 2010 may seem far off. But there is one prophecy we can make right now: energy economy, transportation, and environmental protection issues will be no less important than they are today.

enjoy the

As a world leader in electrical engineering, we focus our research and development efforts on these areas. The results have far-reaching effects.

fruits of our

Take our ingenious burners and combustion chambers for fossil fuels, for example. They offer extremely low emission values of pollutants, and provide customers

with the most modern power-generation equipment for new plants, or the upgrading of existing ones.

research.

Or take ceramic fuel cells, which convert the latent energy potential of fuels directly into electrical power. Their use in power generation will lead to spectacular increases in efficiency and minimize CO₂ emissions.

Novel semiconductor devices and power electronic systems will play an important part in future, safe, high-speed, rail transportation systems, both in and between major cities. And emission free electric vehicles will become a practical alternative to today's cars with internal combustion engines.

The \$1.5 billion we invest annually in research and development of this kind is not only of benefit to our customers in terms of immediate results. It also ensures that they will have a business partner at the leading edge of electrical engineering and environmental technologies 20 years from now.

Which is when our children will take over.



GM, Isuzu to invest £70m in four-wheel drive project

GENERAL MOTORS of the US and Isuzu. GM's 41.6 per centowned Japanese affiliate, are to invest £70m to produce a four-wheel drive leisure/utility and the Bedford Rascal/Suzuki four-wheel drive leisure/utility vehicle in the UK for the West

European market.
The Isuzu-designed vehicle will be produced by IBC Vehicles, the GM/Isuzu 60-40 joint vecture based in Luton. north of London, and will almost double vehicle output at the plant to 70-80,000 by

The announcement marks a further significant step in the rapid development of the UK as a production base for Japa-oese-designed vehicles, adding to operations already under development or in production by Nissan, Toyota and Honda. IBC was formed in October 1987 to take over production of Isuzu and Suzuki-designed

Super Carry micro vans.

IBC sald yesterday that it had achieved e net profit of £2.9m in 1988, its first full year of trading, oo a turnover of £151m. The former Bedford van operatioo was losing £25m a year. IBC has achieved profitability a year earlier than originally forecast in 1987. IBC sales last year totalled

35,211, more than double the 1987 level, helped by the company's entry into cootineotal European export markets in February 1988. Exports totalled 14,210 in 14 continental mar-kets with UK sales of 21,001. Sales are forecast to rise by a

further 20 per cent this year to Isuzu and Suzuki-designed 42,000 with 50 per cent this year vans at the former loss-making for export. The company began

European Court of Justice to

double shift working a year ago increasing its workforce by 700 to more than 1,900.

The new vehicle will be a European version of the Isuzu four-wheel drive recreational vehicle that is currently being vehicle that is currently being launched in the US as the

Amigo and in Japan as the Mu.
The four-wheel drive recreational vehicle market is one of the fastest growing niche segments in the West European

president, said that production of the Isuzu-designed vehicle was scheduled to begin in July 1991 with a planned ontput of 30-40,000 vehicles a year. At least 80 per cent of production would be earmarked for export

hear vital pensions test case

By Eric Short, Pensions Correspondent

THE Employment Appeal Tribunal, presided over by Mr Justice Wood, has decided to refer the pensioo dispute case, Clarke v Cray Precision Engineering, to the European Court of Justice in Brussels.

The Tribunal is asking the European Court to provide enswers to three questions relating to European law pertinent to this case.

But essentially the hasic issue to he resolved is whether pensions and other benefits paid under a contracted-out occupational pension scheme are classified es pay within the meaning of Article 119 of the

The case arose when Mr David William Clarke was made redundant by his employer. Cray Precision Engineering, and took early retire-ment on his 60th hirthday. He found that because of the

actuarial reduction factors applied his pension was only around two-thirds the pension paid to a woman aged 60 in comparable circumstances. So, backed by the Equal Opportu-

nities Commission, he went to the Industrial Trihunal on the grounds of sex discrimination. The chairman of the South

London Trihunal, Mrs Stelle Hollis, took the view that Article 119 of the Treaty ol Rome, which essentially bans sex discrimination over pay and related renumeration, applied to company pension nefits and found in favour of Mr Clarke.

However, the Employment Appeal Tribunal has decided to ave the interpretation to the European Court – a move sought by both sides in the case each of whom had made it plain that they intended to take the case to the European Court, if necessary.

The decision of the European

Court on the questions asked will be crucial to the vast sections of the occupational pen-If the Court decides that

Article 119 applies, and there is no appeal against its decision, then it would be discrimatory for company schemes to have different pension ages for men

vehicle market. IBC expects the market to grow from some 200,000 units at present to

300,000 hy 1993. Mr Nick Reilly, IBC vice to the Continent.
Japan's car makers, Page 18

and women and this could well apply to past, as well as future,

The Treaty of Rome overrides national legislation, so in theory the decision of the Court in its interpretation of Article 119 would apply immediately without the need for UK legislation.

A decision in favour would hring about complete confusion in the UK pension scene. All EC directives on equal sta-tus in pension provision have emphasised that company schemes would not be required to implement equal pension ages until the State has first

But Article 119 does not apply to State social security schemes, so company schemes would be compelled to equalised pension ages without the State having to take similar

However, it is expected that it will be at least a year before the European Court makes its ruling and Mr Justice Wood then delivers the judgment of

British in the dark about single EC market

By Christopher Parkes

A SURVEY of British attitudes to the planned completion of Europe's internal market in 1992 has uncovered profound ignorance among the general

only half of the 900 people questioned by the Consumers' Association in March had heard of the 1992 programme, and 11 per cent of those had no idea what it was about. Similar research in France discourse of the people of the p

Similar research in France discovered 90 per cent awareness.

Ms Rachel Weterhouse, association chairman, said in London yesterday that the hlame for this lack of understanding lay with the Government.

"We have been told specifically by senior civil servants et the Department of Trade and Industry that we should appreciate 1992 is not for the consumer," she told a conference in London yesterday.

"We think the DTI should appreciate that industry needs consumers if it is to survive."

consumers if it is to survive." When enlightened by the survey team, more than 70 per cent of the survey respondents thought the single European market was a good idea. There was also considerable enthusiasm for the notion of a com-

mon Community currency.

Even so, the British remained steadfastly conservative when offered the prospect of e wider market for products and services: about three-quarters of the sample said they would prefer to hny British travel services, food and drink, clothing and furniture. More than 80 per cent were strongly in favour of huying British financial services.

There was little evidence that this "Europhobia" sprang from overwhelming satisfaction with what the UK offered, Ms Waterhouse claimed.

She called for more informa tion to help the public make better-informed choices. "If a consumer is not made aware of what's on offer, it is hardly surprising that he is wary of making full use of the benefits of 1992," she added. Consistent standards should

be introduced for financial services across the Community, and she urged the European Commission to devise an EC-wide system for compensation.

Streamlined licence system to ease burden for UK exporters

By Peter Montagnon, World Trade Editor

THE Government has introduced a streamlined sys-tem of export licences designed with the UK's obligations to prevent strategically sensitive goods reaching the Soviet bloc. to free exporters from the burden of obtaining individual permits for export of certain sensitive products to the Euro-pean Community and coun-tries such as the US, Canada, Japan and Australia

Products covered include personal computers, recording end reproducing equipment and many electronic compo-nents which up till now have been subject to individual lic-ensing requirements connected The new arrangements involve the creation of an open general licence under which companies can freely export

the relevant goods to the designated countries. These include all the members of the Coordinating Committee on Multilateral Export Controls (CoCom) as well as the EC. ..

CoCom, which monitors strategic East-West trade, requires its members to operate national export licencing

systems for all sensitive prod-ucts so that their destination can be checked. It has, however, been working for some time on ways to eliminate the

time on ways to entimate the barriers to trade among its own members which result from this process.

Such a move is necessary not only in response to industry pressure for reducing reditabe, but also to ensure that CoCom can effectively survive as an institution once barriers to trade within the EC come to trade within the EC come down after 1992, making national licensing schemes harder to operate.

EC plan to meet teacher crisis

By David Thomas, Education Correspondent

PLANS TO attract people in mid-career and teachers from other European Community countries into the teaching profession were unveiled yes-terday by the Government. The proposals are the latest

sign of concern about the pros-pects of severe teacher short-ages emerging in the next few

These fears will be under-lined later this month when Britain's independent schools announce a special scheme to persuade young people to become teachers in both the private and state sectors.

The Government yesterday issued a draft circular to local

authorities on a new breed of teachers, which it is hoped will encourage more people into the profession.

Licensed teachers, or those trained on the job for a certain period, were first suggested in a consultation document pub-lished last year. The circular also discloses

that as from September teachers from other EC countries will be automatically recognised as fully-qualified teachers in British schools. Education authorities are

likely to use this provision to try to fill shortages of language teachers and also to increase the recruitment of Irish teach-

The teaching unions reacted angrily to the consultation doc-

ument.
The National Union of Teachers is pledged to support members taking action against inqualified teachers.

From September, people aged over 26, with at least 2 years' higher education and grade C in GCSE maths and English, will be able to train in schools without taking a full-time teacher training

Education authorifies can choose to pay licensed teachers either as fully-qualified teachers or at a lower rate.

Rising steel mill output slows down

By Nick Garnett

OUTPUT from UK steel mills is continuing to rise hat the growth rate has fallen off sub-stantially from that achieved

stantially from that achieved last year.

Steel production in the first four months of this year everaged 386m tonnes per week, an increase of 23 per cent over the same period last year.

This compares with e jump of 12.1 per cent in weekly output in the first four months of last year compared with 1987.

The slowdown in growth appears to reflect a tempering

appears to reflect a tempering in general demand from UK steel-using industries following very buoyant demand over the past two years.

Desires years.

Bringing on stream in Febru-ary last year a fourth blast fur-nace at British Steel's Scunthorpe site in south Humberside also had an effect

Humberside also had an effect in raising production.

Figures published today by the steel industry show that the provisional figurs for weekly production in April was 383.9th tonnes, an increase of just 1.4 per cent on the same month last year. It was 1.2 per cent higher than the level in

March The figures cover all steel producers. British Steel, privatised last year, accounts for almost three quarters of pro-

duction. increases in steel output were secured last month in all steel producing areas. Total UK steel output last year was

propriety offered by taxes are

righly valued by respondents mighly valued by respondents and the public," he said. Mr Robert Oddy, vice-chair-man of the LTDA, said: "I'm

not surprised at Mr Portillo's

U-turn because not only 20,000 licensed cabbles but many MPs

were violently opposed to his

Government's U-turn gladdens cabbies

By Rachel Johnson

LONDON'S canhies were celebrating a Government celebrating a Government
"U-turn" yesterday after Mr
Michael Portillo, the Transport
Minister, announced that he
had dropped his proposals to
change the taxi trade and end
the 350-year monopoly of the
hlack cab.

The black, or Hackney, cab
is as traditional a sight on the

is as traditional a sight on the streets of the capital as the red London bus and its possible demise had prompted a wide-

spread response. The Transport Department has abandoned plans to com-pile a discussion paper on the taxi and private car hire trades following over 600 pleas from cabbies to maintain the pres-

ent system.
The system includes a compulsory test of 468 London routes which the cambie is expected to know by heart and which has become known as

"the Knowledge."
The review of the taxl trade will remain confidential but is known to have examined the possibility of licensing private hire in London, which could bave resulted in minicabs being allowed to ply for hire on

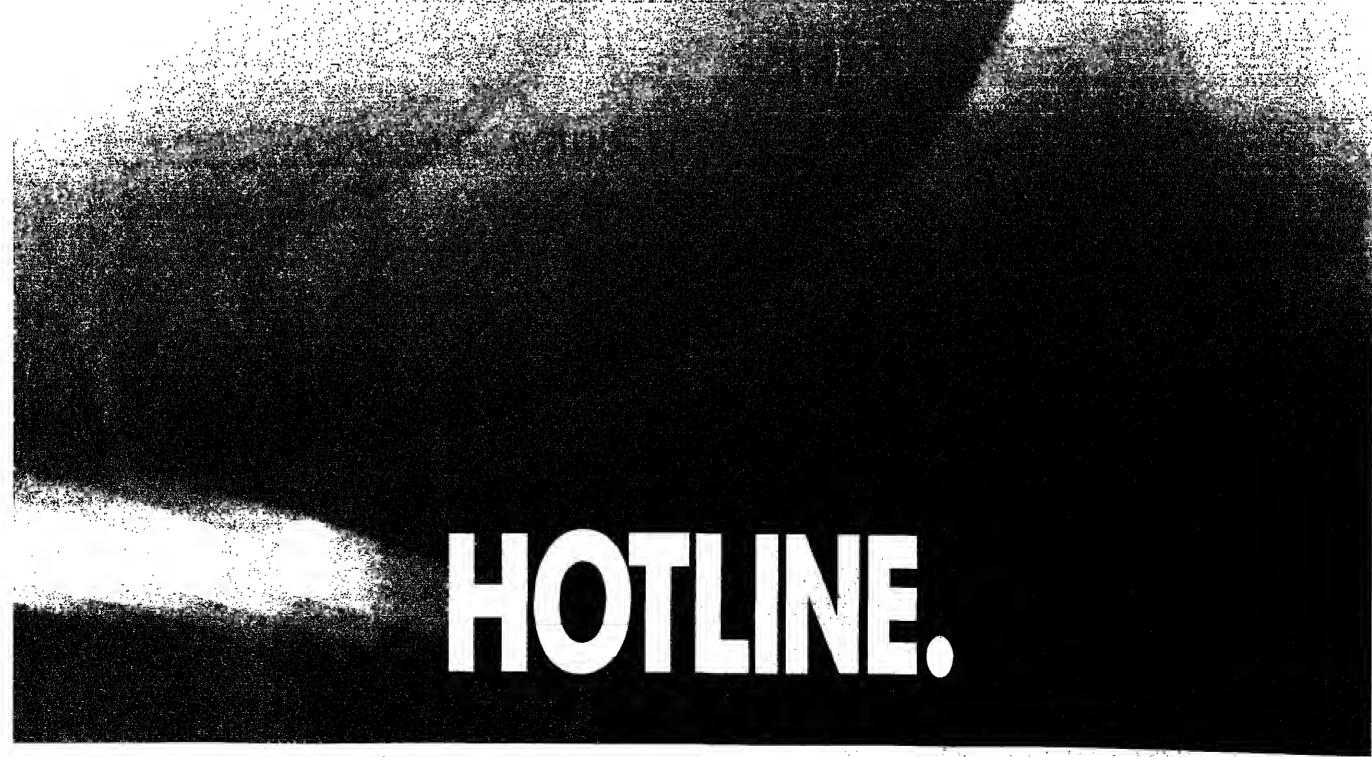
the streets in direct competi-

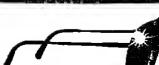
tion with the black cabs. Minicaha outside London minicans outside London require licences from local anthorities. This too will remain unchanged, although Mr Portillo expressed disappointment yesterday that councils were still "rationing the issue of taxi licences, which

distorts competition and the operation of a free market."
Mr Portillo has agreed with
the Licensed Taxi Drivers' Association that London benefits from "the best taxi system in the world."
"It has become clear that the

high standards of service and

proposals." An 11 per cent increase in London taxi fares was announced by Mr Portillo yes-terday. He said it took into eccount increased running costs and the extra £2,000 necessary to convert all new cabs to allow-for wheelchairs.





Not many airlines are as technologically advanced as liberia.

You'll have probably noticed it in iberla's real time, computerised sales and reservations system, and in our impeccable service. All the result of

ngorous staff training programs. That must also be why other major european airlines rely on Iberia to maintain and service their planes.

There's still one thing our technology hasn't

been able to Improve upon though. Our hostesses' smiles. Their warmth and hospitality is absolutely natural. Right from the heart.

WARM TO THE EXPERIENCE

The Market of State of the Stat

sing steel

as Garneti

David Thomas recounts the benefit to a UK company of two engineering students on secondment

ddie Thomas has just done something which few managers would have the nerve
to attempt — he has handed over responsibility for a project vital to his company's future to a couple of students whom he had barely met.

Thomas says, "it took a major act of faith."

That faith was justified when British Telecom and Mercury Communications, Eurocraft's main customers, placed big new orders early this year. Efficiency improvements had already helped the company to

metal basher which operates out of one of the many factories huddled together on the outskirts of Dudley in the West Midlands. A subsidiary of Widney, the quoted Birminghambased engineering company, it makes racking systems and cabinets for telephone exchanges and similar products.

When Thomas came to Eurocraft a year ago from BICC, the cables and engineering group, the company was in deep trouble. "There was a question mark over the viability of the operation," be recalls.

An inefficient manufacturing operation coupled with high costs meant the company was losing meant the company was losing money on a £3m annual turnover. Thomas quickly identified lead times as the key problem. It took 12 factory to emerge as finished prod-ucts; since material content accounted for over half the final

The Widnay hoard backed.
Thomas's attempt at a turnround. It sanctioned a £750,000 investment programme which included new computer systems yielding fuller information on the flow of the goods through the factory. It supported Thomas in replacing most of Eurocraft's senior managers and in trying to win new customers out-side telecommunications. All in all,

tomers, placed big new orders early this year. Efficiency improvements had already helped the company to Thomas is managing director of move into profit in the first quarter widney Eurocraft, a Black Country of 1989. The new orders sustained of 1989. The new orders sustained Thomas's decision to take on more workers; Eurocraft's complement now stands at 170, almost twice the

number a year ago.

But a sharp cut in lead times was essential both to be certain of completing the orders on time and to carry through its programme to improve efficiency. This is where two Aston University students enter

the story.

In his pinstripe suit, Thomas hardly looks the part of a radical. Yet, he says, he prods his managers into coming up with fresh ideas. Two encouraged them as much as possible to question traditional methods."

Kevin O'Toole, Eurocraft's down-to-earth manufacturing manager, took his hoss at his word, making two far-reaching decisions. First, the factory would have to rip up its traditional assembly line lay-out and design a new work-flow from scratch if it were to slash lead times

O'Toole favoured the Japanese in-spired just in time production phi-losophy, which helps to keep a rig-orous check on the flow of materials through the factory. He was particularly impressed by the "Kanban" production system by which a pro-cess downstream of the final assembly is not carried out until just before the final assemblers are

"We may be a Black Country sheetmetal concern, but that does not stop us from trying to take a radical approach and become a centre of manufacturing excellence, O'Toole asserts.
Second, and more boldly still

since the factory was going to try something new, O'Toole asked him-self "why not bring in someone fresh, who's never done this before and see what they can do?"

Eurocraft had taken Aston engl-

neering students on secondment in the past, so O'Toole went to Aston's angineering department and explained his requirements. I was looking for the right mental atti-tude – greenness, naivety, if you like, but coupled with enthusiasm." Aston came up with a couple of Aston came up with a couple of final year mechanical engineering students, Nigel Harrison and Philip Miners, who were looking for a project as part of their M.Eng. degree.

The two students, both 23, moved the force of their M.Eng. into the factory on January 25 with a simple brief. They had to design and set up a new production line. The new line must boost capacity without demanding extra floor space. It must slash lead times and the mountain of parts which built up under the old system. And it

In one sense it was a nilot projec since the design would be extended throughout the factory if the line worked. But in a more important sense it was very much for real; Eurocraft was banking on the increased output from the new line to help meet its orders. "We had already made commitments to our customers that required that capac-

must be up and running in two

ity," O'Toole explains.
So Harrison and Miners were given the overall concept: create a line based on just in-time and Kanban, but the rest was down to them.

"They had an awful lot of detail to fill in," O'Toole says.

The students spent the first few weeks studying the existing flow of work through the factory and frantically mugging up on just in-time and Kanban, about which they had only the hazlest notion. "At that stage, we were not well-qualified in the subject." Miners admits laconi-

cally.

After four weeks of analysis, the students started to design a new layout, partly on paper and partly by testing possibilities in a corner of the factory which had been spe-cially cleared. They came up with four possible designs, but then quickly focused on one.

The new layout is eimplicity

itself. Arranged in a rectangle, one side is made up of benches producing parts for the finished cabinets. with the line opposite consisting of six benches assembling the parts into the final products. The key to the whole operation are the Kanban trolleys which take the parts from the sub-assembly benches to the

final assembly benches, thereby completing the rectangle.

The trolleys bring parts to the final assembly benches only when the final assemblers have work to be done. The parts are made only when they are needed; the arrival of the trolley is the trigger for that operation. No Kanban trolley, no

production.
In Eurocraft's old system, if the factory had an order for 500 cabinets, the sub-assemblers would pro-

Nigel Harrison (left) and Philip Miners (right) with the director whose faith was justified, Eddie Themas

duce 500 batches of parts, most of which would sit around for weeks until they were needed. Now the parts are produced just in time.
While the final layout is easy to understand, the students had much to do before they could unveil their handiwork. They had to design the layout, the Kanhan trolley, the workbenches and the lighting. They had intended to bny ready made workbenches, but Kevin O'Toole told them they would cost too much, so the students designed and built some instead; ditto with the

The students then had to explain Eurocraft's new production arrangements to the company's suppliers, some of whom are now introducing just-in-time themselves. One supplier had been used to sending Eurocraft screws in large bags, The students designed a container which stacks the different types of

Kanban trolleys.

screws in exactly the right proportions for eight days' production. One container is always oo the line, another in the stores, with the third back et the supplier being re-filled. Finally, Nigel Earrison and Philip Miners had to sell the new system to the production workers. It took them the best part of a morning to explain the change to the 25 work-ers earmarked for the new line. Most were women older than the students. "They know how to talk back at you if you haven't got it

right," Harrison remembers. Eurocraft's managers had just one more piece of the jigsaw to put in place: a completely new payment system. The operators had been on piece rates, giving them an inceotive to make as many parts as possi-ble. This was wholly inappropriate to just in-time philosophy, so Eurocraft introduced a line honus scheme. "We even had to change our payments system occause of those two students," Kevin C'Toole

The students kept in close touch with O Toole throughout the project, bouncing ideas off him. He says he would have realised immediately if they were not up to the job, allow-ing him to step in before too much time was wasted. But he also insists they were given a free hand, once he was satisfied with their compe-

Eddie Thomas is well pleased with the outcome. He calculates that the new layout has increased capacity by 79 per cent, hoosted pro-ductivity by 20 per cent and cut lead times by 61 per cent - 21 with no increase in factory floor space. What's more, the working environment is less cluttered and has helped to generate more of a team atmosphere on the line.

he managing director of Ford Italy is French. A Norwegian runs the Ford sales company in Spain.

A Belgian is in charge of the
Dagenham body and assembly
plant in the UK. The head of Ford UK is an Englishman, but he used to run the company's

operations in Brazil.

Five of Ford's European companies are run by nationals of other European countries. The remaining 10 European companies are headed by local executives, but nine of them have worked in other

countries.
Louis Lataif, the president of Ford Europe, says that fin the distant past, to be fair,

Y

Ford's American parentage has been more apparent, with US nationals in charge of most overseas divisions. But this is certainly not the case now. There is a broad international base in Europe, while an increasing number of Euro-pean nationals are moving to senior management posts in the US.

Such internationalism has only been achieved by a clear commitment at the highest level and deliberate policy decisions — but it is still far from complete; the integration of operations and free flow of staff worldwide is the ultimate goal, for Ford, like other car

Ford's cosmopolitan carousel

Michael Skapinker on the motor group's international management policy

operating in a global market and, as a result, has set out to build an international manent team, which reflects

So how does Ford go about developing international managers? In an article to be published in the June issue of the European Business Journal*. Lataif says that the process begins with the recruitment of young managers from business schools.

ish manufacturing companies do not believe in hiring the graduates of Europe's business schools. They feel they have absorbed an excess of theoretical information, that they have insufficient practical experience and that they ask for too much money.

Ford has no such qualms. The company recruits Masters of Business Administration graduates from schools like

With a few exceptions, Brit- Insead in France, Imede in usually given jobs outside Switzerland, Iese in Spain and Boccom in Italy.

Lataif believes that "the European business schools

attract some of the most tal-ented graduates. These graduates are, in turn, attracted to companies like Ford, who are able to offer them the opportunity to develop this interna-tional outlook."

Those joining Ford from the

STC proposes to deal with the rest of

the country by grafting a nation-wide paging system on to the micro-cellular

network. Base stations would be used

for sending out paging signals as well

as carrying conversations. These paging

signals would have a much longer

range and could, therefore, be used to track the location of mobile handsets

across the country.

Locations would be fed into a centralised "intelligent" database, to which

anybody trying to call one of the new

mobile phones would be routed.

If the mobile phone were within

range of a base station, a further paging

signal would be sent out to it. This would tell it to contact the intelligent

their own countries. "These will be the fast-track senior managers of the future and their progress will be moni-tored every step of the way," Lataif says.

Ford has also set up programmes to ensure that its existing managers develop an international outlook. In 1985 the company set up the Ford Executive Development Centre "with the intention of provid-

ing a forum for the company's top managers to meet, share ideas and experience and talk with top officers of the company about its worldwide objectives and priorities," Lataif says, "It is a pooling of ideas and information that provides executives with a wider perspective of the com-pany's activities."

Ford's top 2,000 executives are expected to attend a weeklong session at the centre at least once every two years. Not more than 50 executives attend each session and they are divided into smaller work-ing groups for the week. "Rach

nationalities, levels of responsibility and areas of expertise so that the widest range of views can be brought to every issue tackled," Lataif says.

In addition, Ford of Europe bolds twice-yearly manage-ment meetings for all 350 of its senior and middle-ranking executives. "Once again, there is always a deliberate mix of country and job function in

TECHNOLOGY

urban areas.

obile communications have been such a phenomenal success in the UK that the Government is preparing the ground for yet another big expansion of the market -Following the success of car and

other cellular phones, and with a revo-lutionary pocket-phone service called telepoint on the way, the Department of Trade and Industry in January published a consultative document called Phones on the Move. The document out-lines plans to introduce, as soon as possible after 1991, a third variety: personal communications. This new mobile phone is to be more sophisticated than telepoint, but cheaper than the up-mar-ket service provided by cellular.

Lord Young, the trade and industry secretary, has said that the service should be cheap enough for committers and shoppers to afford. It is also envisaged that personal communications will he free from telepoint's principal defects: customers cannot receive calls and to make them they have to hunt

around for a base station.

Now tens of companies from the UK and abroad, where Britain has gained the reputation as a pioneer in mobile communications, have submitted their ideas on how the service should work.

Some, such as British Telecom and Motorola of the US, have refused to talk. Those which have commented divide into starkly different camps.

At one extreme are companies such as Plessey and Cable & Wireless (C&W),

which are advocating an ambitious "bells and whistles" service. Their idea is not simply to provide a new niche mobile facility, but a menu of services which would compete with both BT's local phone system and cellular ser-vices, as well as providing personal communications on the lines sketched

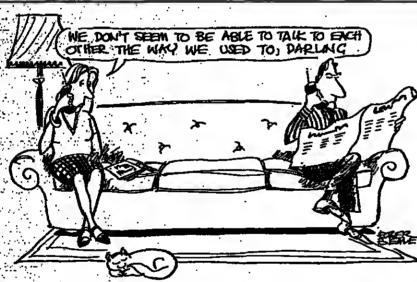
out in Phones on the Move.
"We have to move rapidly if the UK is
to keep its lead in radio technology,"
explains Jonathan Solomon, C&W'sdirector for business development.

The main drawback to this approach is the expense. Plessey thinks it would cost £4bn to build two competing networks. Although that sounds like a lot of money, one telecommunications official described it as "chicken feed" compared with the amounts of money BT has invested in its network.

At the other extreme is PA Technology, a UK consultancy which has helped to define previous mobile systems. Geoff Vincent, a consultant, says that there is a danger of "getting carried away by the hype." Rather than pouring billions of

pounds into a new service and a tech-nology for which demand is doubtful, Vincent advocates an evolutionary approach. In particular, he argues that the new telepoint operators abould be allowed to develop their services gradu-ally into personal communications in response to market pressures.

Somewhere in between these extremes lie companies such as STC of the UK. Unlike PA Technology, it is proposing a new system. Unlike Pies-sey, it is aiming to keep down costs by trying to eliminate as many of the bells



Fighting talk on new mobile phone

Hugo Dixon reports on the contrasting approaches to personal communications

Plessey is proposing a network of micro-cells, each 1 km in diameter, covering all the UK's urban areas. Overlaying this would be another natwork of macro-cells, of about 5 km diameter, which would cover both urban and rural areas. At the centre of both types of cell would be base stations transmit-

ting radio signals.

The micro-cells would be used for providing two types of service. The first would be for people in town – the shoppers and commuters. The second would be for people at home: they could dispense with the wires provided by BT and communicate with the outside

world by radio. The macro-cells would also have two functions: to provide a car phone service, competing with the cellular networks run by Cellust and Racal Telacom, and to link the micro-cells. Somebody making a call from homa would first be connected to the nearest micro-cell and then passed to the nearest macro-cell by a radio link, before finally linking into BT's or Mercury

Communications' wire network.

If people moved out of range of one of the macro-cells, their calls would be automatically diverted to the next one. Micro-cells would also be able to hand over calls in this way, but only at

slower speeds. Plessey is proposing a simplified version of the GSM radio interface as the technical basis for the new system.

and whistles as possible. It puts the cost at a few hundred million pounds.

Each approach entails a different technological solution.

Plessey is proposing a network of standard currently available that can provide all the services required. By riding on the back of a European wide development, it argues that many of the same microchips could be used, leading

to economies of scale.

For each type of service, there would be a different charge. The aim would be to undercut existing telecommunications services — cellular, telepoint and BT's fixed service.

Plessey believes that it is possible to offer these discounts and make a profit for two reasons. First, the infrastruc-ture cost would be spread over the three main types of service. Second, the immense cost of digging up roads would be avoided by using radio to link cus-

tomers to the telephone system. Financial success, however, depends crucially on Plessey's forecast of 10m to 15m people using the system within 10 years of its launch. "If it is 3m customers, it is a disaster, if it is 30m it would be a licence to print money," says Professor William Gosling, the company's technical director.

Compared with this ambitious scheme, STC's proposals look rather modest. On almost every technical point, it has challenged Plessey's suggestions, which it believes will be excessively complicated and expensive.

database where it would be connected to the caller. If the mobile phone were out of range of a base station, the caller would be able to leave a message with the database or bleep the person they wanted to contact. STC claims that such an architecture would keep costs well below those of cellular. The use of an intelligent data-base to track the location of handsets would minimise the cost of computer processing, while the small cells would make for an economical use of power.

The key element of STC's plan is to use DECT rather than GSM as the technical interface. DECT is a new cordless telephone service being developed for the European market.

STC argues that DECT is a cheaper standard than GSM. For example, calls would not be transferred from one base station to the next if the handset moved

out of range. This handover facility, which Plessey is proposing to incorporate in its concept, is described by STC as an "unnecessary complication".

STC also takes issue with Plessey's contention that GSM is the only standard out of the contention of the content dard available. Rapid progress is being made on DECT and, although the stan-dard is not yet finalised, STC argues that it would also take time for Plessey

to simplify and modify GSM. PA's approach is conceptually closer to STC's than to Plessey's in that it is also advocating a combination of pag-ing and cordless telephone technology. The crucial difference, however, is that it does not believe a new service is needed. Instead, the Government should allow telepoint to develop from a should allow telepoint to develop from a one-way into a two-way mobile service. It could do this by giving the telepoint operators extra spectrum so that they could add a paging function to their networks. And the technical interface would be the CAI standard being devel-

oped for telepoint. Geoff Vincent believes that introducing yet another mobile service so soon would confuse the public. Although be does not oppose in principle the systems advocated by Plessey and STC. be believes that demand will be insufficient and the technology will not be ready until the mid-1990s. In the meantime, he argues that the Government should not artificially constrain the

development of telepoint.

It remains to be seen which set of Unlike Plessey, STC is proposing only one layer of cells - micro-cells with a radius of between 100 m and 1 km. development of telepoint.

It remains to be seen which set of radius of between 100 m and 1 km. arguments will win the Government's

Oil reclaimed from slop

A WASTEFUL by-product of oil refining is an unpleasant substance callad elop oil, a partly emulsified water/off solids mixture which is also an anvironmental hazard. Howevar, it contains useful oll and the Swedish company Alfa Laval is supplying the Soviet Union with a reclamation plant that extracts

a salaabla product. The company's latest project, a \$4m plant at Novokujbyshevsk refinery, 1,000 km south-east of Moscow, will be able to deal with 45 cu m of alop oll an hour. A provious plant at Yaroslavi, north of Moscow, has been in action for a year and in the first six months 50,000 tonnas of slop were treated, from which 14,000 tonnes of oil were recovered at a market value of \$1.33m.

Slop oil is drawn from the refinery's pond by a floating collector unit and is heoted by steam injection to 75 deg C. Coarse particles are removed by a centrifuge and the partialty cleaned liquid is heated to 98 deg C and

pessed into the main centrifugat separators. The cleaned oil moves through a heat axchanger to cool it and reclaim the heat, while the water and fina solids are discharged separately. The four outputs of the process are clean oil, relatively claan water, soft

sludge and coarsa solids. in the Novokujbyshevsk plant, the water will be separation stage that will make it safe for direct discharge into the Volga.

Measuring stress in aircraft

THE STRESSES In aircraft, caused by take off, climbing, descent and landing, can be monitored accurately and automatically with a computerised, on-board measuring system developed by Lockheed Electronics of Marietta, Georgia, in the US. Such stresses are recognised as an important cause of structurat fallure.

Tha system consists of a computer that collects and processes data from stress-measuring devices at various points on the airframe, and from tha aircraft's requier instruments for monitoring air speed.

20

worth Watching Edited by

Geoffrey Charlish

Tha processor, which is programmed with stress details for the particular nmed with stress aircraft type, records all the Instances in which the manufacturer'e design olerances are axceeded Ground crews aubsequently analyse the data to datermine the effect of unusual stresses oo the aircraft and to find out whether over-stressing could

William Sproat, the Lockheed project manager, emphasises that the system cannot by itself predict catastrophic failures, but "it can halp ground crews to project trands by providing much more visibility into the condition of the airframa."

Picture Seck for PC users

DIGITHURST, the electronic imaging specialist of Royston in Hertiordshire, is offering a system called Pictura Book which lets IBM PC and PS/ 2 computer users design and operate full-colour picture and text information systems. Applications could include

training, business presentations, electronic reference "books". photographic libraries and trevel guides.

There are two software modules, called Editor and Run-Time. The first is used to compile the "book" by capturing images from video cameras, or entering others from storaga systems such as magnetic or optical disk. Each image can have up to 99 points of interest defined en it, each of which calls up an associated image at the next level down.

For example, a travel guide cruid show a coastline with hotela and tha usar could choosing the appropriate

the discussion sessions where participants go through strate-gic plans, business plans and product development in frank, open debate," Letzlf says. European Business Journal, 19h Compton Terrace, London

programme is carefully struc-fured to give a balance of N1 2UN. Tel: 01-359-5979.

point on the screen. From the holel picture, a room could be chosen and displayed. Each picture cao have descriptive text linked to it. Connections with other levele or "branches" of this "tree" can be written into 129 software, so that the decioner

has control over how the user

is guided from one Idea to

another. Up to 49 levels of

Information can be provided. giving scope for complex nformation structures. Users can browse through the book simply by pointing at areas of interest or key words on the screen, thus calling up the next picture. A small version of the next

picture can be seen in a corner of the screen. The Run-Time product turns the compiled "book" into disk form so that it can be distributed. This software prevents unauthorised copying and protects investment where, for axample, an agency has created a picture book on behalt of a client.

Picture Book costs \$495.

Seeds sown automaticality AN AUTORATIC seed-planting machine has been developed by the French company, Coverplant of Nice. Known as Covarcem, the computer-controlled machine uses a vacuum pump with flow regulation, both for picking up individual seeds and for piznting them via

seed ejectors.
At the start of each cycle, polystyrene growing beneath the seed electors. The computer is programmed to deal with the planting sequence and to follow it up by moving a new set of containers into place.

Coversem can handle seeds in the rango 0.1 mm to 1 mm for all horticultural species, la a single operation, It is able to clant seeds from different species, each in a separate tray and in a variety of arrangements (for example, in line or staggered).

During a seeding operation, the computer heeps track of the number of seeds picked up. If a seed is missing, the error is delected and tha software ensures that there are no unplanted positions.

CONTACTS: Alfa-Laval Separation: Sweden, 753 65000. Lockheed Elec-tronic Products: US, (304) 464 4411. Olgithurst: UK, 3763 242555. Cover-plant: France, \$337 8843.

Paul Cheeseright on two developments which typify the move from central locations

Fringe benefits and worries

HE BIG development comparies tend to feel more comfortable with projects in central locations. They would argue that such projects are safer and less prone to the effects of market fluctuations. The fringe is burt

But it might not be as simple as that and there have been two companies in London this week acting in a way which contests such loosely accepted wisdom.

Estates & General announced that it and Greater London Enterprise next October will start the construction of 160,000 square feet of office space at Regent's Wharf, just to the east of British Rail Property Board's massive Kings

Cross redevelopment site.
This is an area where development projects have been few although investment interest has been stimulated by the plans for Kings Cross generally. Certainly it is not an established office area.

Parc Securities meanwhile received detailed planning con-sent from the Wandsworth Borough Council for its larger mixed development at Batter-sea Wharf, on the south side of the Thames facing Victoria. Here the office content of the scheme is 342,000 square feet. Development in the Battersea area close to the Thames has been more extensive than around Kings Cross, especially in the residential sector, but it could scarcely be said to be a favoured office district.

Both these projects have something in common – they are next to water and will use this as a card to draw in ten-ants. And both of them are on land which needs a facelift.

Both reflect the changing nature of the economy in the sense that they will be providing space for white collar occupations where ouce the main use of the land was industrial. To that extent they reflect the spread of the traditional Lon-

don office districts.

It is at this point that the accepted wisdom of the centre being best may begin to fray at the edges. There may not be a centre, just districts competing with each other for tenants. The process of decentralisa-

tion out of city centres is well-established, not only from London but also from cities like Manchester. Neither Estates & General nor Parc will be out on shuts down behind them. Both Estates & General and

Parc, by choice or chance, are taking part in the establishment of new decentralised commercial districts. Although Estates & General will probahly have finished building by the time the main Kings Cross development starts, its project is an early start to a large movement of capital into the

Similarly the Parc project is one of several which create a belt of mixed development along the south side of the Thames. They include Mr John Broome'e troubled and expensive attempt at turning the old Battersea power station into a gigantic leisure park and Regalian's Vauxhall office development, sold to the Government before the first hole has been put in the ground. This decentralisation is not

just a developer's stunt encouraged by the liberality of the banks. It has been a response to the demands of a changing and expanding south-east England economy. Growth has stimulated the reclamation of derelict land. And because this economy is likely in the foreseeable future to suck in a disproportionate share of national commercial activity, there is

Year to Dec. 88

Year to Mar. 89

Monthly rate - March 89

no reason to doubt that, over the long term, both these pro-jects will be valuable.

However, the short term is more difficult. Construction starts this year against a background of a rise in the amount of floorspace becoming avail-able in central London but a fall in the number of development proposals coming for-ward.

Parc's site is such that the office development, designed for up to four tenants, with its associated residential, retail and hotel elements, need to go forward together. Sale or leas-ing of epace in one part is not likely to be successful unless the rest has been completed. People do not like to live, work or stay on a huilding site. The whole will take at least until spring 1992 to finish.

Estates & General can be more flexible as the develop-ment takes place in phases starting from the renovation of old but crumbling warehouses at the centre of the site. The individual units of space are

Rental value growth (%)

Office

Retail

relatively small. But if the present plans go ahead, com-pletion will also be in spring

The state of the central London property market by then is matter for conjecture. On the supply side, according to the calculations of Jones Lang Wootton, office completions were 6m square feet in 1988, are expected to reach 7m square feet this year and should peak at 10m square feet should peak at 10m square feet in 1990. But that excludes Loudon Docklands and whatever may happen in districts like Paddington. At any rate there will be considerably more space available in the 1990s.

The demand side is equally difficult. "We don't see Regent's Wharf as a financial location — there's more than enough supply in the City. We see this as a professional quar-ter," said David Bloomfield, the Estates & General managing

At Rattersea, Parc is not keen to have tenanta who would not be registered for

Industrial

22.2

All Property

CENTRAL LONDON OFFICES

WEST LONDON

OFFICES

TECHNOLOGY HOUSE, LANGLEY 6,000

EDWARD CHARLES

& PARTNERS WI **CHARTERED SURVEYORS**

01-935 2811

NOEL STREET, SOHO, WI

CAVENDISH SQUARE, W1

ROUTE WEST, CHISWICK

KENSINGTON SQUARE, W8

BOUVERIE STREET, EC4

MAPPIN HOUSE, WI

WIGMORE STREET, WI

THE MAGPIES, ECT

LONG ACRE, COVENT GARDEN



Outlined, Regent's Wharf, site of an Estates & General project. In the background, the railway lands of Kings Cross

VAT, so that pretty well rules out the financial sector. Brian Maple, the managing director, sees the offices as geared to the communications industry.

The approach at both companies appears to fit what has been happening in the market. A recent study of sources of demand for offices in the cen-tral London area by Debenham Tewson and Chinnocks showed that the dominance of the financial sector had been reduced partly because of an

9.041

7,750

7,000.

6,850

3,540

1,080

1,265

31,000

9,500

increase in the demand for space by the professions. But, DTC noted, the professions are a subsidiary sector dependent on overall economic expansion and, in the case of central London, the prosperity of the financial markets. "If the economy should falter and/ or a new stock market crash

occur, the assumed rapid growth of this sector could At best Parc and Estates & General will be in a very competitive market

One of the characteristics of the fringe and out-of-town office markets has been the sharp rise in their rents so that the sharp differential between centre and outside has been eroded. Looking inwards, Parc's prime space will probahly cost around £40 a square foot, not hugely different from Broadgate in the City of Lon-don Looking outwards, Estates & General's space will proba-bly cost around £30 a square foot, not hugely different from

Uxbridge on the M25.

A AND B 4 3, 7 0 S Q F T. FREEHOLD Hartne **Bernard Thorpe** Taylor Coo LEASEHOLD $(0272) \cdot 262210$ Tel: 0272 237237 A development by Intercontinental Land Triter Ltd. - a joint company between Triter Invest Finance provided by Security Pacific National Bank.

MANCHESTER CITY CENTRE **FOR SALE** FREEHOLD OFFICE DEVELOPMENT/ REFURBISHMENT OPPORTUNITY 13,950 SQ FT Superb main road frontage. Fast developing location. Collins Velleman 01-493 7373 Swimer Leon Blasdale

THROGMORTON BUSINESS CENTRE

061-236 2468

Superior serviced offices, fully furnished, 24hr security, immediate occupation, 2 mins from Bank underground & easy access to all City Main Line Telephone: 01-606 1771

LONDON AND DEVONSHIRE TRUST LIMITED

GROWTH CONTINUES

Pre-Tax Profits Shareholders' Funds Assets Per Share Earnings Dividend	1988	1987	Change
	£1,525,127	£764,729	+ 99%
	£23,654,391	£15,699,236	+ 50%
	1.97p	1.31p	+ 50%
	8.12p	3.99p	+ 103%
	4.00p	1.60p	+150%

INVESTORS, DEVELOPERS AND MANAGERS OF COMMERCIAL AND RESIDENTIAL PROPERTY

Heathcoat House, 20 Savile Row; London W1X 1AE Telephone: 01-439 0246 Teles: 916387 Facsimile 01-734 2561

PRIME FREEHOLD A40 OXFORD ROAD, DENHAM, BUCKS.

BEST OFFER FOR THE FREEHOLD BY NOON TUESDAY JUNE 6th. For further information and colour brochure

MARTIN HEATH & C. STORY STORY ST. 18 COMMERCIAL PROPERTY AGENTS 0753 - 25413

HAMMERSMITH



OFFICE BUILDING FOR SALE 3000 SQ.FT.

PLUS 7 CAR SPACES

This building was designed as the headquarters for an architect. It is quite exceptional

Write Box T8978, Financial Times, One Southwark Bridge, Landon SEI 981L

INTERNATIONAL PROPERTY

LISBON, PORTUGAL PRIME INDUSTRIAL PREMISES WITH DEVELOPMENT POTENTIAL

Situated less than I km from City's International Airport and the Lisboa-Porto Motorway, these premises stand in 4 hectares/10 acres of grounds. Existing built area 9,000 square metres to include 4,500

square metres of air-conditioned offices. Ideal for expansion or transformation into Portugal's first business park with further construction of approximately 130,000 cubic metres (subject to planning permission).

> SOLE AGENT HORGE KNIGHT

Av. 5 de Outubro, 115 (7th Floor) 1000 Lisbon Tel: (1) 73 17 01 Fax: 76 88 87 Tix: 62303 EQUES P

FOR LEASE

Absolute Prime Retail

Sydney Australia 6350 Sq. Ft - 590 Sq. m All Ground Floor - long lease Vacant February 1990 George Street between King and Market (East side) Tenders close 30 June 1989

For this unique opportunity obtain documents from: John Millard Dymocks group of companies, Box 1521 GPO Sydney, Australia Fax 61-2-232 5279 Phone 61-2-233 4111

AMERICA'S BEST INVESTMENTS IN LONDON MAY 22, 23, 24.

Americas inside opportunities will be at this show. RREF HALF-DAY WORKSHOPS
"Investing wisely in American Real Estate"
Outstanding speakers.
Choice of 3 days:
Information: London (01) 493
0381 or (01) 987 7656

★ Ideal for investors, agent, fund managers & developers
★ Over 50 U.S. firms exhibiting ** 10 billion in property &

* 10 billion in property & investments - * Undervotued bank properties. * REO's & foreclosures * Shopping centres. Commercial buildings * Hotels, Resorts, Development land * Businesses, Joint venture opportunities * Mortagges and

Mortgages and

FREE ENTRANCE TO SHOW Show hours: Monday noon - 7pm Tuesday & Wadnesday 10am -6pm institute of Directors 116 Pall Mail of Lower Regent Street IN COOPERATION WITH









MADEIRA SEASHORE PROPERTY

For sale 30 acres on large , beautiful bay: ideal for recreational facilities and tourism resort development.

GALLAND REALTY, CANADA.

01-405 8411 **WARWICKSHIRE** -Nr Coventry

ST. JOHN'S SQUARE

Clerkenwell, EC1

OFFICE BUILDING

10,000 Sq.Ft.

FOR SALE

FREEHOLD

★ Central Heating ★ 12 person lift

* Double height ground floor

* Excellent natural light to upper floors

HENRY BUTCHER

Valuable Investment Property with Known Deposits Of Sand and Gravel About 30 Acres

Attractive Farmhouse, Range of Traditional Farm Buildings & Planning Permission For Further Farmhouse. Would Consider Selling Or Licencing Land Separately. Guide Price £600,000

Howkins & Harrison Tel. Rugby (0788) 60321

BATH 28, GAY STREET.

NEW FULL SPECIFICATION

OFFICE BUILDING

400,000 sq. ft.

Easy Reach Central London

Close Orbital Motorway

Occupation 1992

All Enquiries

Principles only or retained Agents with named clients

Write Box 76979, Financial Times,

One Southwark Bridge, London SE1 9HL

Period Office Building
TO LET Fully Refurbished 2,570 Sq. Ft. Details from Sole Agents

MD M Daniel & Daw

Telephone 01-236 4881

Sturge Faccinile 0225 137053 Tel: 0225-31 9300

WANTED

All types of freehold and leasehold property, vacant or income producing. Investment portfolios, development and refurbishment opportunities for waiting buyers.

Contact David Merris at Fitzroy Commercial 01-431 5165 TODAY



Europe's largest urban redevelopment programme is well under way in London's Docklands

Improvements in transport to this former industrial desert, however. are trailing behind residential and commercial development, writes

John Brennan

Extra wing for London

exciting development in the world." Michael Honey may be excused a little melodrama. He is, after all, the chief executive of London Docklands Develop-ment Corporation (LDDC). He is also able to reel off the statistics of success at the pace of an auctioneer, and with the messianic gleam of a man who has seen the classic urban regeneration projects from Baltimore to Singapore and found them to be pale shadows of the

work under way downriver from the City of London. Private sector investment of £4.5bn has already been committed to developments within this eight-and-a-half square miles of former industrial desert. In the next few weeks the LDDC is expected to have cleared the timetable for the remaining parts of the further £2bn-worth of developments planned at the eastern end of its territory in the vast flatlands around the Royal Docks. Add in a modest £400m of direct public sector development funds, plus government commitments for £750m-worth

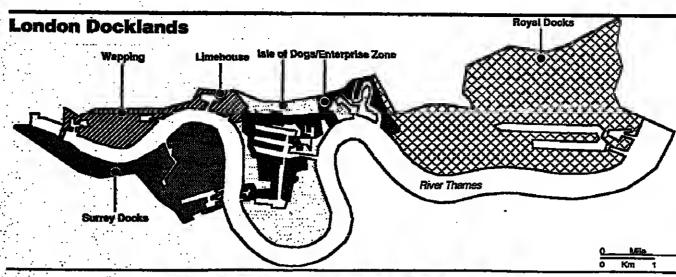
you can see why Michael Honey exudes enthusiasm. in the same breath, he describes Europe's largest urban redevelopment pro-gramme as "London's best kept

of new road and rail links, and

Docklands, but few have vis-ited, and fewer still have any clear picture of what is happening there. Much of that problem, and most of the risk for developers in the area, can be summed up in a single

Taxis still get lost trying to weave their way past the con-struction vehicles into areas they would not have accepted a fare to a few years ago. Even before so much of it got bombed out of shape, the local road system was never designed to allow for cross-Docklands access. Cargoes were then hauled out of the area. Such inter-dock traffic as was necessary was left to the water, which is not much comfort for local car owners or bus

The tube stops at Wapping, and it was not until the opening of the Docklands Light Railway in 1987 that there was any effective, if limited, transit tem for the Isle of Dogs. The DLR will not make its connec-tion with the main under-ground system at Bank until 1991, and it will be a couple of years after that before it runs the length of Dockland to Beckton with its cross Thames



LONDON DOCKLANDS OPERT

connection to Greenwich still a matter for speculation.

Now, even with the evident, urgent pressure to improve access into the area to provide for the staff of the 10m so ft of offices due for completion between now and 1991, improvements to road, rail and water links trail the commercial building. Before the summer is out the main, 50-storey, 800 foot Canary Wharf tower will be rising at a rate of five floors a month to become, by a full 180ft, Britain's tallest building. Yet the main cutand-cover roadway through Limehouse, which will widen the bottleneck of road traffic getting to the tower and to the rest of the office developments on the Isle of Dogs will not be open until mid-1993.

That is why Docklands is still "the best kept secret". The developers can see the potential, and those in the main office building area in the cen-tre of the Isle of Dogs can off-set the risks of building ahead of the transport improvements by enjoying the last few years of Enterprise Zone allowances. But unless you are building it, selling it, working for one of the 1,200 mainly small compamles attracted to the area since 1981, or have lived there since pre-LDDC days, there has been no real reason to go there. Or

The opening of a speciality shopping centre within the restored leaf sheds of Tobacco Dock in Wapping is expected to help draw in visitors. As an eastern version of Covent Garden, Tobacco Dock does not add much to the basic shop

lic concerts by the waterfront all help to dent the impression that the area is a cultural des

If those pleasures are too static, the social diary for the year ahead positively groans with sports events, from a visit by the Harlem Globetrotters to

Everyone has heard of Docklands, but few have visited, and fewer still have any clear picture of what is happening there. Much of the problem, and most of the risk for developers in the area, can be summed up in a single word: access

provision in the area, but it is expected to appeal to the tour-

A Pavarotti Concert in June will also play its part in open-ing the area to newcomers. The singer's sole UK performance of the year should draw a dif-ferent audience to the Isle of Dogs' recently completed 12,600 plus seat London Arena from those who make the trip into the area to catch Duran Duran's show there earlier this year. On a similar tack, the Academy of St Martins in the Field is on its way east to a new permanent home in the Wapping Pumping Stations, and the sight of double bases

the London and South East Water Ski Championships. There are armfuls of fashion shows, regattas and awards ceremonies vying for attention with some improbable events, such as The National Sheep and Wool Fair, which is to be held later this month at Surrey Docks farm. The area's permanent attractions are also being added with the opening of a museum showing the work of

the ragged school movement. These might seem to be trivial matters set against the multi-billion pound commitments to create an extra wing to central London. But they are far from frivolous for an area with

Transport problems or no. anyone who needs to get to an address in Docklands can do so. Having succeeded in win-ning the developers' cash, Docklands now has an urgeni hearts and minds campaign to win to generate broader inter-est in the area. If it takes a Pavarotti or the Harlem Globeravarous of the Harrem Globe-trotters to spark interest in the place, so be it, just as long as enough prospective occupiers and their staff do not mind sharing the building site incon-veniences and the incomplete infrastructure with Docklands

The first phase of businesses into the area included many who positively liked the idea of working in the middle of conworking in the initials of con-trolled chaos. The critical next phase of incomers has to be persuaded that, apart from being cheaper, it is civilised, fun for staff and practical in terms of access to move east of Tower Bridge, The LDDC's role, as Michael Honey's "best kept secret" point affirms, is to make pioneer country look safe

Surrey Docks: view of the City of London from Dock HIII

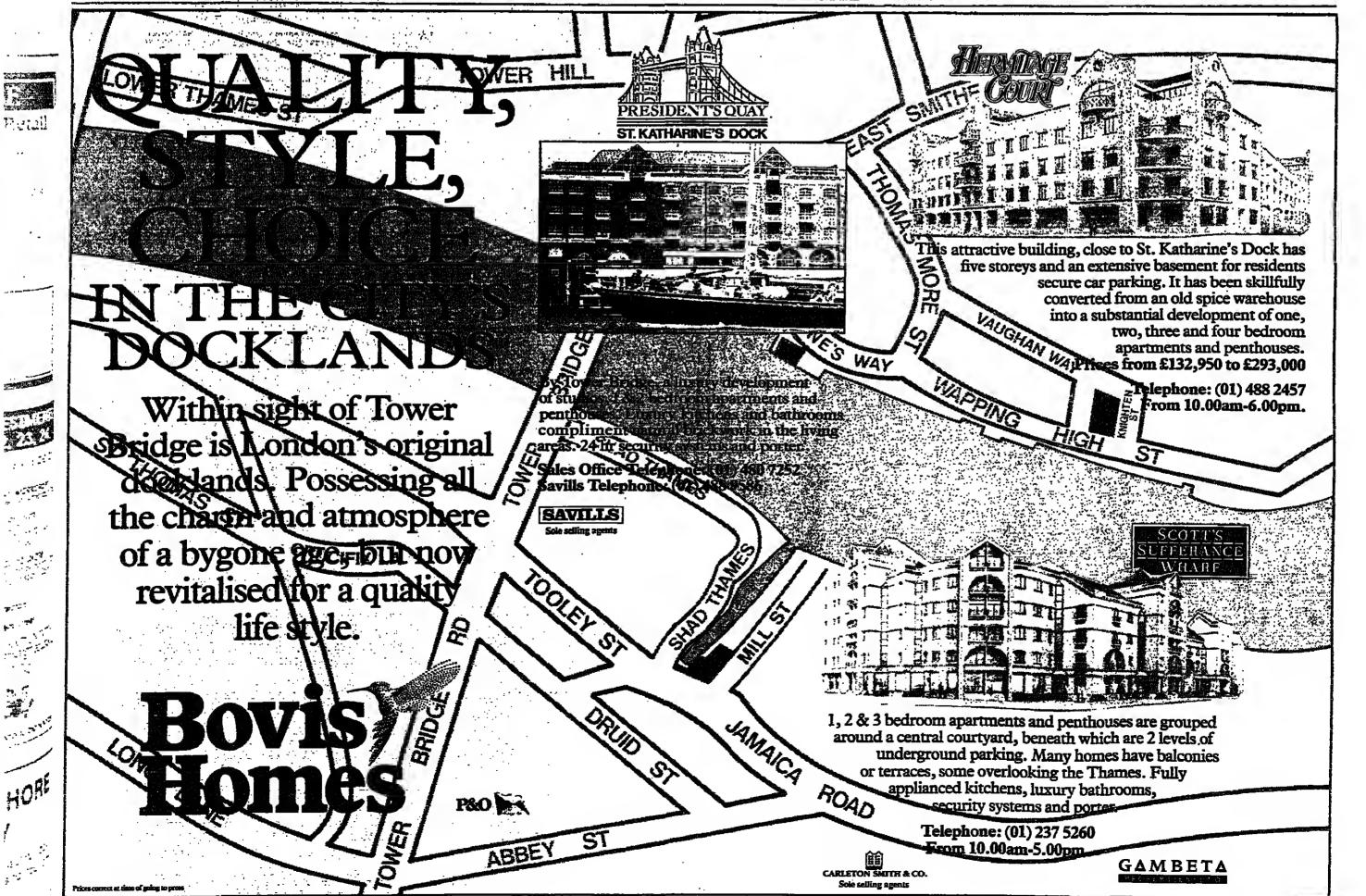
Photography: Alan Harper



CONTENTS

Phases of develop Local oppositi

Olympia & York Residential market



Hazel Duffy on the Development Corporation

A shift in approach

IN THE last 12 months the stance of the London Docklands Development Corporation (LDDC) has started to shift. Development at all costs was the theme which dominated the first six years. That is no longer the case.

is no longer the case.

The turning point was the agreement between the Corporation and Olympia & York for the development of Canary Wharf. The board of the Corporation — its membership changed sebstantially last year — seems to have developed a more stringent attitude fowards development.

The hotch-potch of styles that is taking shape on the Isle of Dogs will not be repeated.

Board policy, with government encouragement, has also steered the LDDC executive towards taking hroader responsibilities for a more comprehensive economic development of its area.

The new direction surfaced in the selection of the developers for the Royals, the furthermost acres for which the LDDC has planning powers. The winning proposals from Rosehaugh Stanhope — one of three sections of the Royals to go ont to competition — comprise an overail plan, architecturally controversial, for a shopping centre, marina, housing and husiness parks.

The developers also have a compact with Newham horough which includes commitments to employ local people, following the example set by Olympia & York in a similar agreement with Tower Hamlets over Canary Wharf.

Another perspective on the LDDC shift was the determination to secure higher land valnes, reflected in the breakdown of negotiations last autumn with a consortium for the development of part of the

The changes on the board of the LDDC last year demonstrated ministers' private concerns that the achievements in Docklands on the property development front, which have heen paraded politically around the world, could he undermined by the continued isolation of the corporation from broader development

A report from the Commons Public Accounts Committee bad also aroused concern about the lack of accountability in the use of public money

2000



Mr Honey: sound managerial experience

which is inherent in the development corporation mecha-

Meanwhile, the LDDC is at the centre of a gathering crists which relates to poor roads and communications generally. The very success of the property-led approach has exposed the inadequate infrastructure. Lohhying at the highest level hy Olympia & York and other developers, backed by the corporation, led Mr Paul Channon, Transport Secretary, to give special responsibility for public transport to his minister, Mr Michael Portillo.

Progress is being made on roads. Some £550m has been earmarked for improvements, including the east-west Limehouse link. But the means of funding new public transport links, and some of the road improvements, remains uncertain

The LDDC last year told the Environment Department, which funds the corporation, that without an increase in grant, the social obligations which the corporation had entered into with the local boroughs could not be met.

The campaign was taken up hy hnsinessman Mr David Hardy, who took over as chairman of the LDDC last antumn from Sir Christopher Benson. A former deputy chairman of London Regional Transport and chairman of the board of the Docklands Light Railway, he bronght expertise on the workings of Whitehall in public transport, as well as business experience.

announcement by Mr Nicholas Ridley, Environment Secretary, that the Government had agreed to top np the 1988/9 grant, hringing the total for the year to £116m. For the current financial year the LDDC says that negotiations are close to being finalised for a grant of "£100m plus".

The financial problems.

close to being finalised for a grant of "£100m plus".

The financial problems, however, are far from over. The LDDC needs to be sure of continued funding on this scale, and satisfactory revenues from land sales, if it is to meet the transport and social commitments which the board believes are necessary to make Docklands work.

Docklands work.

Political halance to the LDDC board was hrought by the appointment of Lord Cocks, former Labour chief whip, to the post of deputy chairman. Mr Linbert Spencer, chief executive of Project Fulemploy, which promotes training and work opportunities for long-term unemployed people, was hrought on the hoard. He was also special adviser to the Commons Employment committee, which produced the highly critical report last summer of the LDDC's shortcomings in relation to training and employment in the Docklands area.

Mr Alan Benjamin, director of CAP group of consultants, was given special responsibility for employment matters. Mr Jonathan Mathews, a Tower Hamlets councillor, and architect Mr David Davies completed the non-executive

The new chief executive, Mr Michael Honey, taking over after the brief sojourn of Major-General Rongier, also went on the board. Mr Honey joined the LDDC with a reputation for sound managerial experience with a local anthority (Richmond, Surrey).

Controversy has surrounded

Controversy has surrounded the LDDC since the early days. It can be seen now to incorporate some of the weaknesses, as well as the strengths, inherent in the Government's urban development corporation policy. Similar problems on the pace of development, and the need to assure local residents that public money is being spent to their advantage as well as for the newcomers, will emerge, although on a smaller scale, in the other times.

John Brennan traces the history of the Docklands area

A far from inevitable rebirth

THE CREATION of the London Docklands Development Corporation in 1981 – under the terms of tha previous year's Local Government Planning and Land Act – owes as much to exasperation with decades of abortive development hopes as to any visionary ideals about the area's potential. And the measure of success of the LDDC can only fairly be judged against the fact that today's construction activity takes place on the grave of Britain's major sea port.

major sea port.

From early Roman times to the end of the 18th century, London's water-born trade was landed at the quays and wharfs of the Pool of London on the City river front below St Paul'a Cathedral. It was not until 1799 that major construction works began to transform the quiet Thamesbank east of the City. In that year Parliament sanctioned a private Bill by the West India Merchants to ease the congestion and delays caused by squeezing 65 per cent of the country's total international trade into the medieval port area.

The merchants were given

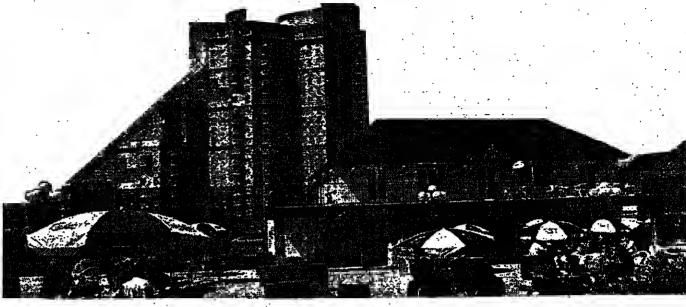
leave to build the West India Docks on the Isle of Dogs which, when they opened in 1802, were secured behind high brick walls guarded by armed militia and special constables.

Once broken, the City port's monopoly disappeared as the banks of the Thames from Tower Bridge to Gallions Reach disappeared under successive armies of labourers. The navigators or "navvies", using the techniques of canal building and with no more mechanical help than picks and shovels, hand-carved and rebuilt the landscape to create the London and the East India

St Katharine's by the Tower of London followed, along with the Surrey Commercial Docks, The Royal Victoria, the Millwall, and the Royal Albert Docks. The new docks at Tilbury marked the end of more than half a century of constant development, much of which had taken place at a time when the policy of free trade and opening up of the colonies had spurred a vast expansion of the British merchant fleet.

In 1885, a third of the world's

ocean going ships, and fourfifths of the world's steamships, flew the Red Ensign. From the time they opened, Aw Authority



A functione plat at the City Pride. Behind: the Cascades development

London's new docks were packed with cargo vessels and in the mid-18th century the Isle of Dogs was Europe's largest shipbuilding centre.

of Dogs was Europe's largest shipbuilding centre.

Dock building effectively created London's East End, a phrase that only came into use in the 1860s as the working population followed industry's spread into the wildfowling marshlands and the country villages north of the immediate dock areas. The riverside hamlets of the sailors and ship workers and country villas of City merchants in Poplar and Hackney were fast surrounded by cheaply-constructed terraced housing for the new industrial community.

Dockers worked day to day, queuing at the dock gates each morning to be taken on to handle a cargo, a brutish casual system that helped to make life in the area a losing battle for survival for much of the population. In 1860 the social historian Arthur Morrison wrote of the area beyond the City boundaries where, "... an evil plexus of slums hides human creeping things, where filthy men and women live on penn orths of gin, where collars and clean shirts are decencies unknown, where every citizen wears a black eye, and none ever combs his hair."

Drawn under the single management of The Port of London Authority (PLA) in 1909, a further phase of mid-war dock developments made the Royal Victoria and Albert and King George V Docks, "The Royals", capable of handling the largest ocean going vessels. A patched and battered Port of London survived devastating bombing in the Second War to stretch down river to accommodate the container vessels and supertankers of the 1960s. In 1964 the PLA's jurisdiction was extended 20 miles seaward as part of a plan that would have created Europe's major sea and air port at the mouth of the

Thames on Maplin Sands.

The smaller upstream docks nearest the City were closed in quick succession from the mid-1960s as the tidal Thames was too shallow for ship-borne container traffic to travel closer upstream than Tilbury,

and as the PLA planned the future of London's port out by the major cargo routes of the

in the event, this confident vision collapsed under the weight of restrictive labour practices and long-term under-investment in the existing docks. The failure of the PLA's proposals for it's "Maplin Seaport" proved to be only the final phase of a slow motion commercial catastrophe that handed London's long-dominant role as the focus of western European seaborn trade to Rotterdam's Europort.

The full scale of this commercial disaster was masked

The full scale of this commercial disaster was masked by the gradual pace of the port's decline. As fewer cargo vessels made their way up the Thames in the 1960s, substitute jobs were talked about, but not seriously planned for. Vacant

Rusting corrugated iron fencing masked untouched bomb sites

wharfsides provided cheap space for scrap yards and truck parking, empty warehouses provided good Victorian backgrounds for film crews, but they failed to attract the manufacturing jobs that the Docklands local authorities believed to be the natural employment base for the area.

At the beginning of the 1970s

Docklands activist Ted Johns announced that, having evidently been abandoned by the rest of the country, the Isle of Dogs was leaving the United Kingdom. A Unilateral Declaration of Independence was drawn np, customs posts manned and passports issued in an effort to draw attention to the poor housing, schools and public transport in the area. The TV cameras came, and went. Even UDI couldn't help restore the 150,000 dock-related jobs that had given the area its commercial life in the peak traffic days after the Great War. And by the mid 1970s every one of the remaining 28,000 dock jobs had gone, along with 6 in 10 of the area's

The Department of the Environment and the Greater London Council sponsored a management consultancy report and hosted public meetings aimed at evolving a regeneration plan in 1972. But it was not until the GLC and the Dock boroughs of Tower Hamlets, Newham, Sonthwark, Greenwich and Lewisham joined to form the Docklands Joint Committee (DJC) that there was any effective strategic planning for the area.

gic planning for the area.

Against the tide of events, and as late as 1976, the DJC was arguing that it wished to see, "a flourishing and viable port in East London". Its £600m reconstruction programme had to take account of the financial limits made clear in a Government White Paper on Docklands published in August 1975 and that had concluded with the blunt decision that, "the Government has no plans for special forms of support over and beyond" normal state aid for transport, housing

and education support.

Improved transport was seen to be one key to the area's revival, and the DJC's plans foreshadowed much of the LDDC's eventual programme with a scheme for a new tube line, the "River Line", as well as a rapid transit rail system and improved roads and river passenger services. But the core of this plan also assumed that Docklands revival depended upon creating new industrial jobs.

industrial jobs.

In 1978 the GLC was prepared to try to raise the 2455m then needed to extend the Jubilee tube line into and around Docklands to help break the impasse of poor communications blocking new job opportunities. But GLC leader Sir Horace Cutler found central Government response to the scheme, "so lukewarm as to amount to outright opposi-

By this time Taylor Woodrow had made one small beach-head of new private development in Docklands with the start, in 1971, of its initially limited hotel, commercial and residential scheme around St Katharine's Dock close to Tower Bridge. Local planners opposition to anything that dld not create industrial jobs dogged the project's

early years.

Locked into a seemingly irreversible decline, much of Docklands at the end of the 1970s presented a picture of rusting corrugated iron fencing masking untouched bomh sites with traffic-less potholed streets running between boarded-up warehonses and decayed, water stained council estates where the only fresh paint was the craffit.

the graffiti.

It was for just such areas of urban decay, where the problems far outweighed any normal regemeration schemes, that geography Professor Peter Hall had suggested trying to capture something of the unregulated commercial vibrance of Hong Kong by designating taxfree and planning-free zones in the most run-down parts of Britain's older industrial cities.

Britain's older industrial cities. This might have remained an interesting theory but for the interest shown in it by Sir Geoffrey Howe, who referred to Enterprise Zones in a series of pre-1979 election speeches, and who included provision for such Zones in his first budget as Chancellor of the Exchequer in the new Conservative Government later that same year.

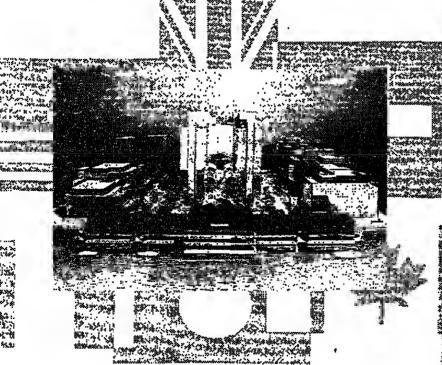
The central area of the Isle of Dogs became one of the first of these Zones with a 10-year exemption on rates and 100 per cent Corporation and Income Tax allowances for capital expenditure on industrial and commercial buildings. And it was the Chancellor's support in cabinet that helped to ensure the success of the then Environment Secretary, Michael Heseltine, in arguing the case for making Docklands an exception to the Government's non-interventionist policy.

His plan for a single Development Corporation, which would be able to override each individual local authority's elective powers, may seem to be a rational solution with the benefit of hindsight. But it took a full 50 days of hearings by an all-party committee of the House of Lords to work through the petitions of pro-

created Europe's major sea and air port at the mouth of the and went. Even UDI couldn't tion".

Thames on Maplin Sands.

The smaller upstream docks related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in a real of the prestore the 150,000 dock related jobs that had given the nearest the City were closed in the prestore the 150,000 dock related jobs that had given the nearest the City were closed in the prestore the 150,000 dock related jobs that had given the nearest the city were closed in the prestore the 150,000 dock related jobs that had given the nearest the city were cl



HARBOUR EXCHANGE

AN INTERNATIONAL BUSINESS EXCHANGE & GALLERIA

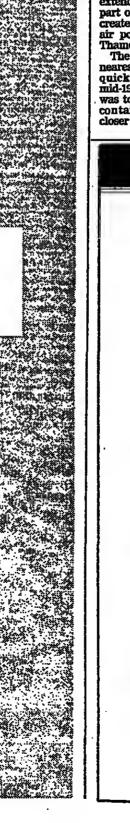
in a panoramic waterfront setting at the centre of London's new business district. Rents from £20 per sq. ft. and no rates to pay until 1992.

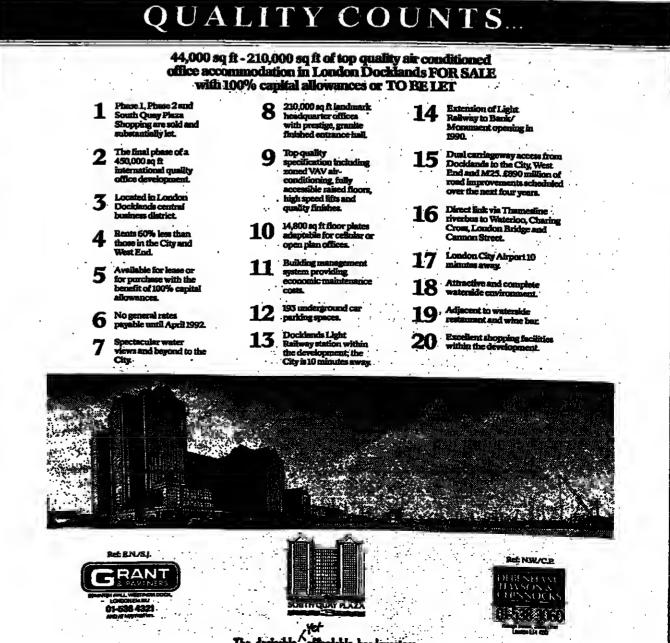
H.Q. offices and business facilities



THERE'S A GREAT DEAL HERE

Charter Group Marketing - Peter Hadley - 01-538 8888 Knight, Frank and Rutley - Nick Thomlinson - 01-538 0744





LONDON DOCKLANDS PROPERTY 3

Continued from previous page test, hear local witnesses, and see for themselves the extent and the effects of the virtual collapse of economic life in the area. The Lords concluded that an anthority charged with creating a "lasting regenera-tion" of Docklands had to be given a chance to succeed. With a derisory initial budget of £65m the LDDC came into

Nigel, now Sir Nigel Broackes, founder chairman of Trafalgar House, was per-suaded by Michael Heseltine to be the LDDC's first chairman. Planner and former new town chief Reg Ward set up the LDDC team as its first chief executive. Between them they set up an aggressiva marketing programme, a TV and poster campaign asked "Why move to the middle of nowhere when you can move to the middle of you can move to the middle of London?" They used the LDDC's powers to assemble sites, and its limited cash resources to help in their clearanca for housebuilding schemes the only private venture investment that

showed any real interest in the area at that time. Rather than ape the traditional development area pat-tern of building advanced factory units and hoping to fill them, Broackes and Ward set the tone for the LDDC's early years by, as Broackes said, "making a start wherever we

Subsequent criticism of the LDDC's failure to impose a coherent planning structure and a consistency of architec-tural standards on developments ignores the reality of the situation in those early years when every investment was sees as a pioneering gamble. The LDDC's role was one of crisis management, not, at that time, part of any conscious shift of activity in London to it's more developable eastern

Subsidised development sites made it possible to provide low-cost homes for purchase to local residents, 95 per cent of whom were council tenants.

Private sector Investment in property will total over £6.5bn

Much of the councils' initial opposition to the develop-ments, and housebuilders' worries about being able to sell in Docklands, crumbled as it became clear that tenants were jumping at the chance to buy. At the same time, the first of

the residential conversions of warehouses in Wapping and Limehouse, and south of the river in Shad Thames, coincided with the early stages of a five year bull market in housing across London. The problems that had dogged earlier developments, and made even riverside housing in Docklands of interest only to a limited number of seeming eccentrics. were forgotten in a break-through in values. Flat prices doubled or tripled in value between 1981 and 1983, helping in the process to give the area an image as a property specu-lator's haven.

Late in 1982 the government

agreed to fund the first stage of the Docklanda Light Rallway. That was a crucial reaffirmation of its commitment to infrastructure improvements and it had an immediate impact on land values. When the LDDC was formed much of Docklands would have rated a negative value, given the cost of clearance work in many areas. After 1982 values moved up steadily as there came to be competition for the best riverside sites. By the mid-1980s there was a fierce secondary market in site options as development companies that had been initially sceptical about the area began to realise that

they were missing out on the biggest building site in the country.

By the time Christopher,

By the time Christopher, now Sir Christopher Benson took over as LDDC Chairman in July 1984, he was able to talk of "a surge of great activity", with over 200 new companies and 5,700 new jobs having been drawn in. Brymop Airways had overcome local scepticism by landing one of its aircraft on the central whasf of the Royal Docks, giving a fore-taste of what was to become the City Airport. And the Stock Exchange's computer centre the City Airport. And the Stock Exchange's computer centre was preparing to join British Telecom and Mercary Communications to give a high-tech nications to give a high-tech place on the lale of logs. A public investment of \$141m had drawn in private sector funds of over \$500m the LDDC could fall in terms of a "eathering momentum"

the LIDC could fall in terms of a "gathering momentum".

Yet no one at the LDDC had any idea thea that the next phase of development would be nothing short of a direct challenge to the City of London's prime office market.

In mid-March 1985, developer G. Ware Travalstead was invited from New York to take a look at a Travalstead was invited from New York to take a look at a Tracre afte on the isle of Dogs by the then charman and chief executive of Credit Suisse. In Michael von Clemin, and by Morgan Stanley's London chief, Archie Cox. You Clemin had been looking for a site for a food processing plant when he first saw the wide open spaces of the former West India Docks. He had interested Cox, and with Travelstead the trio came its with the idea of Canary Wharf to provide the kind of large area trading spaces unavailable provide the kind of large area trading spaces tinavailable within the City. The sheer audacity of the project — a sain budget to treate sain agreet of offices with towers as broad at the base as St Panl'a and rising 850 feet into the sky — had a stunning effect on attitudes to Docklands.

The City reacted by over-

attitudes to Docklands.

The City related by overturning its restrictive draft
plan and opening the way for
20m so feet of urgently needed
new accommodation. For the
first title Docklands was being
talked of as a challenger to the
Square Mile as been for international finance houses.

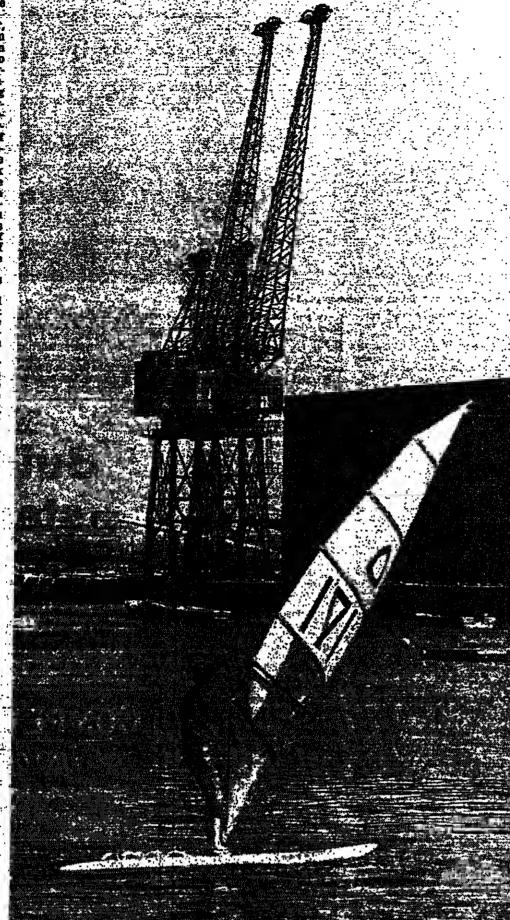
Ware Travelstead's campaigh to persuade City tenants
into the Canary Wharf scheme
did not win the commitments
needed to make a start on the
main construction works. But

main construction works. But it did raise the level of serious interest in Docklands offices as an alternative to relocation from west central or City space into purpose-built, and lower cost accommodation, out of town. That directly affected both the volume and the standard of other office schemes in

The campaignt also, led to the eventual transfer of the Canary Wharf project in 1987 to the Canadian based developers Olympia & York, one of the few property groups in the world with the resources to start building without con-firmed pre-lettings.

The start of work on Canary Wharf in 1967 could be taken as marking the end of the extraordinary opening phase of regeneration on the western end Docklands. Just six years after the LDDC was formed, the 33 countils represented on the London Planning Advisory Committee were complaining that this once hopeless "no go" industrial and social slum area

indistrial and social sinm area was taking the liou's share of business growth in the capital. There is more than a decade's worth of building work to be completed in the area from Wapping to the eastern side of the late of Dogs, and south along the river to the Surrey Docks, but the next major development phase will be the creation of a water city by the Royals, the largest of the old port's dock sites and the last to close, in 1981.



Windsurfing on the Royal Victoria Dock

Adding that to the total Docklands story takes the prospective private sector investment in property to over £8.5bn. And even limiting forecasts to schemes that are either under construction or which now have full planning consent, today's 5m sq feet of completed commercial and industrial space should be nearer 30m sq feet by the cen-tury's end — enough to account for a fifth of central London's commercial acconi-

Forecasts of 80,000 jobs by

1991, and over 200,000 by the year 2000 - with the housing, transport facilities and the broader infrastructure of shops and entertainments, restaurants and schools to serve the broader community — are no longer greeted with surprise, or scepticism. In many ways, the LDDC's success has been so swift, and so dramatic, that Docklands' revival is beginning to be regarded as though It were some inevitable process that would have occurred even if Sir Geoffrey Howe had not been impressed by Professor

Hall's theories, if Michael Hes-letine had not believed in the value of executive control, and Sir Nigel Broackes and Reg Ward had not gambled their reputations on a long shot.

The Newham Docks Commu-nity Association recently started a trust fund to pay for a commemorative bronze statue of a dock worker to be placed in the Royal Docks. By the time they have raised the money, Docklands' last docker will be needed as a reminder of the phoenix-like nature of London's own new town.

David Lawson on local attitudes

Distrust remains beneath the surface

is a giorious success or an epic stand. Newcomers moan about the nightmare of getting in and out of the place and its lack of "heart", but they are generally happy with their ahiny flats and money-spin-ning blocks. Old-timers are still unconvinced.

That doesn't mean crochety grey-hairs whingeing in pubs about the way the world is passing them by, but the peo-ple and politicians there before the government threw the rulebook away and imposed a development corpo-ration on this former industrial wasteland.

On the surface, things have improved a great deal since the three local horoughs rejected the intruder by refusing all contact. Now they talk, work together and take the LDDC'a money. But beneath the surface remains a strong feeling of distrust and dislike. Politicians are notoriously tetchy the world over if they lose powers, particularly to someone appointed by a rival

Southwark, which worked with the corporation until local elections swung the bor-ough sharply left, became an implacable enemy. But now it is back in harness on schemes such as the renovation of a municipal housing disaster called the Redriff Estate.

"We have always been ready to deal with the LDDC on anything which benefits local people," says council leader Anne Matthews. "We just don't think it was necessary to set up the body to carry forward this sort of work."

Southwark's problem is the same as many another inner city council's: it is starved of government resources to carry out massive physical and social reconstruction projects. The LDDC has money and land the last couple of years, the top people on both sides have been meeting to thrash ont schemes such as Redriff.

Corporation chief executive Michael Honey sees this as a sign that things are going much better with the locals. He needed to make this sort of progress after taking over last year in the shadow of criticisms that the LDDC had steam-rollered through local feelings to achieve development targets. But the schism ering the original brief given hy ministers to get things moving quickly. Early on, the corporation had little time to waste on local criticisms: its first priority was to get derelict land into use and widen home ownership. Now it can divert more effort to cajoling local conneils

Millions of LDDC pounds are being spent on training, education and community projects; Elizabeth Flikin, former chief executive of the Cltizens Advice Bureaux, has heen recruited to oversee commu-



people in the corporation are admitting publicly that not enough had been done to build

Time and political tides have run in the corporation's favour. It was always thought the LDDC "worked in harmony with the boroughs and gave of local people" - a succinct summary in a remarkably honest statement of the corpo-ration philosophy contained in, of all places, a briefing for local schools.

Harmony there may be, but this has more to do with expediency than Pauline conversion by local politicians. Newham signed a "compact"

It was thought that opposition would fade as the Development Corporation 'worked In harmony with the boroughs and gave due consideration to the views of local people'

with the corporation after the last general election, accepting that it would have to work with the system or go short for another five years. By agreeing to co-operate over develop-ment of the Royal Docks it would get a share of the profits and 1.500 subsidised homes for local people. Meanwhile, Tower Hamlets politics had swung right as Southwark went left, and the borongh also came to an agreement. This promises LDDC-financed homes for 650 tenants in exchange for new roads.

Some community groups have held ont, implacably opposed to every offer of ce. Others have acted as a buffer between the two sides, extracting real gains for local people. Without organisations such as the South London Family Housing Association,

The LDDC needed their skills Southwark needed the £22m Housing Corporation grant they brought – the largest ever made in the region. The scheme will produce more than 500 homes for rent and shared ownership at a time when the council has more than 360 homeless families in bed-and-breakfast.

But the undercurrent of distrust from the boronghs is still strong. The LDDC has put £5m into the Redriff, the latest in a string of deals involving seven estates in the Downtown area which have created more than 450 homes in partnership with housing associations and developers such as Barratt East London. But Southwark believes the corporation is holding back on pledges of yet more money for the area, including a promised £2m training package under discus-sion for 18 months, according

to Ms Matthews. This lack of resources could prove a major stumbling block in the corporation's ambitions of creating a consensus in docklands. Government spending watchdogs have heen tightening LDDC purse-strings and chief executive Michael Honey admits that continuing prohiems with Southwark are because of financial shortages.

Meanwhile, critics within borough planning departments are saying the "compacts" signed with Tower Hamlets and Newham are full of holes. They point out that the promised benefits from the Royal Docks schemes have still not materialised and the alternative housing for those dis-placed by Tower Hamlets roads will be at much higher rents.

When questioned by local MP Simon Hughes in the Com-mons last month, Inner Cities Minister David Trippier said: "I am not aware of a problem with consultation. Indeed ... it is my clear impression that consultation with local authorities in the LDDC area is better than it has ever been."

That may be true as far as it goes, but neither Sonthwark nor Newham have accepted invitations to put representatives on the corporation board while it remains secretive about decisions, and ill-feeling still lurks in local town halls after LDDC officials have had their meetings and left. It could hardly be otherwise cal animosity on one side and tight purse-strings on the

The residents of estates like Redriff perhaps typify the bar-rier the LDDC has to overcome. They are elated by the prospects of the long-delayed restoration of their homes, but it is a long slog to find one who has a good word to say for the very corporation which made the scheme possible. Like their councils, they are happy to take the money – hut don't expect them to change their political views.



WATERFRONT OFFICES

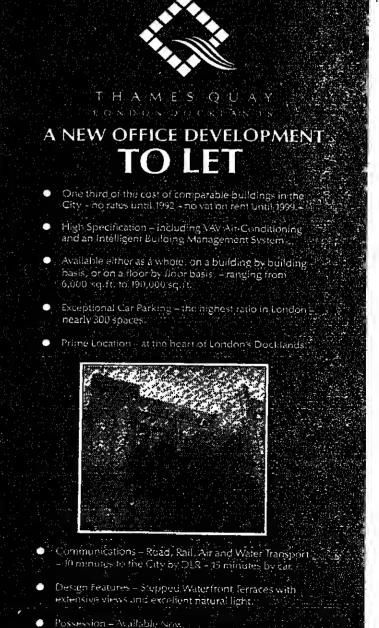
For Sale or To Let 8 individual buildings 1550 - 3700 sq ft 3-6 parking spaces per building Quay view - Millwall Dock

CLAPSHAWS & 01-515 8800



SAVILLS 01-538 2060

Healey & Baker 01-628 4361



John Worrall on transport problems

Congestion is the price of success

planning in Docklands bas een aimed at a moving target. In 1984 Docklands was expec-ted to have about 8m sq ft of new business space. The sign-ing of the Canary Wharf deal in 1987 first put another 12.2m sq ft of offices, including ancillaries, into the pipeline and then convinced the development sector that Docklands was a worthwhile bandwagon.

Total development commit-ments now amount to 25m sq ft and more is likely as higher rents begin to justify the rede-velopment of two and three storey buildings put up in the early days of the enterprise zone: 32m sq ft seems possible by the late 1990s. Now comes the test of faith.

however, because the implica-

THE TOWER of Canary Wharf will climb over the borizon by the end of the year, making Olympia & York a visible as well as a felt presence. The tower at 800 feet, or 150 feet higher than the National Westminster tower in the City of London, will be as apt a symbol as any of O&Y's spreading

O&Y - Canadian, private to the point of being secretive and run by the Reichmann brothers – brought Canary tions of 200,000 or more jobs, a majority of them on the Isle of Dogs, are frightening many people.

people.

Congestion is already a byword for Docklands, with only a fraction of those jobs in place. "The change of pace of development is the root of the problem," according to Bob Blythe, Director of Roads at the London Docklands Development Corporation. "It is a temporary price of success. Canary Wharf has changed everything."

everything."

It has also highlighted the fact that this vast amount of proposed space is off-centre in the city's radial transport network and, as yet, without even the connections of more mod-est locations such as Hammersmith. Its development is, nev-

previous developers were unable to put together a finan-

cial package to carry the project beyond the planning stage. Canary Wbarf, with its

planned 10m sq ft of offices,

don't see how our company could

ssiblybynefit from paying

& Rutley

ertbeless, supply-led, which means that it has to sell itself.
While the LDDC and the Department of Transport scramble to put the infrastructure in place, therefore, they must also make sure that public perception of the problem does not give the dog an irrena. does not give the dog an irrepa-rably bad name.

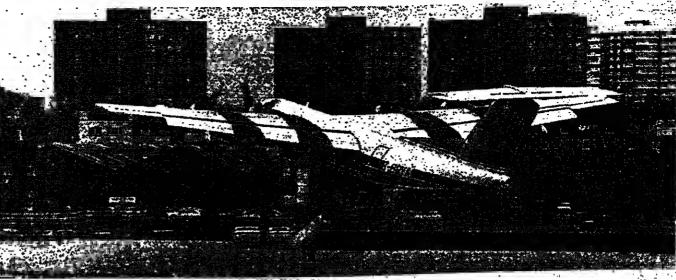
They have their work cut out. The Isle of Dogs is shaped like a potato sack with the River Thames on three sides. The only way in and out is through the top, apart from a riverbus currently carrying 62 passengers every 15 minutes. Existing road access is principally by the A13, a main commuter route from south Essex and, at that point, for Kent traffic nsing the Blackwall Tunnel Heavy rush hour con-

OLYMPIA & YORK

Spreading influence

bedroom botel and 65,000 space carpark, is the biggest single project O&Y has undertaken. It

will add significantly to a port-folio which already contains 50m sq ft of office space in



The culckest way out at the moment, but roads are on the way

gestion results in "rat running" through Poplar at the northern end of the island. Unwelcome through-traffic forms 30 per cent of move-ments in the LDDC area.

which is in New York. But O&Y bas not stopped

there. Through joint ventures, it has a direct interest in three other significant Docklands

projects: retailing at Port East,

residential at Heron Quays and mixed at the Surrey Docks.

Because the company holds

one third of the equity in Stan-hope Properties, it is indirectly involved in other Docklands

ventures, not least the redevel-

opment of a large section of the Royal Docks, further to the east than Canary Wharf on the

In short, the group engaged in an attempt to estab-lish a new community, the cen-

trepiece of which is Canary Wharf, the largest development

of its type in Europe. It is seek-ing to establish a new London

commercial district alongside the traditional City and West End. In a way, one thing has

Because Canary Wharf is so large and will provide work-space for so many people, O&Y has been forced to use its influ-

ence and money to devise

means of transport to link the Isle of Dogs with the world out-

side. Hence it financial support

for an extension of the Dock-lands Light Railway, at least to

the Bank in the City of London. Hence its pursuit of new rail links which would tie the

London commuter network.

Hence its concern about the woeful road connections in

East London. Hence its work on the formation of a private-

public consortium to ball out

Thames Line, the ailing river

But just as Canary Wharf is designed as a number of linked

pieces — the offices give an opportunity for shops, the companies in the offices need a nearby hotel — so O&Y has

applied the same principle to its other interests in Dock-

transport business.

Isle of Dogs.

away and Docklands certainly does not have a monopoly.

Docklands' particular problems
spring mainly from this three
or four year period of new con-

ments in the LDDC area.

But, as Blyth points out, congestion in London will not go

Struction.

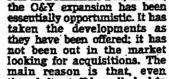
Michael Portillo, Minister for Public Transport, recently natural to become involved in residential projects for homes for potential Canary Wharf

company employees.

This soggests a degree of preplanning at O&Y about its role in Docklands. But, in fact, though its staff has climbed to around 140, it does not have

money through swaps.

This style will probably be adopted at Canary Wharf, ing long-term, fixed-interest



the personnel.

None the less, the group is undoubtedly the most powerful single commercial presence in Docklands and, as such, proba-bly has an influence with Gov-ernment that is denied to most British companies. This comes about not just because of the size of its project but because of its huge financial resources.

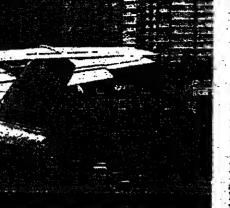
Nobody knows exactly how wealthy the group is. But it is wealthy enough for the Government to have given a sigh of relief when it came along and negotiated the terms for taking on Canary Wharf. And it is wealthy enough to carry the front-end risk for much longer than would be acceptable to a British developer.

So far, all the funds for what is ultimately a £3bn project have come from O&Y's own resources in North America. Its style is to secure finance only when an income is assured or when the project

has taken visible shape. When O&Y arranges finance it tends to favour borrowing from a consortium of banks on a relatively short term at a necessary, be turned into fixed

although there are two factors peculiar to the British market which may result in modification of the usual technique. The first is the existence of the Isle of Dogs enterprise zone, which gives 100 per cent capistarted before 1992. The second is the interest of the London financial institutions in provid-

Paul Cheeserigh



wife having triplets and his parents coming to live with him." Quite so. One or two developers might be having kittens, too, enterprise zone advantages notwithstanding, as their buildings complete before the

new roads.
The roads are on their way, however. The Poplar bypass on the northern fringe of the Isle of Dogs and a new crossing of the River Lea to the north east, scheduled for 1991, should pro-vide a relatively unfettered route eastwards to Royal Docks and the adjacent new Bocks and the adjacent new East London River Crossing due to open in 1983. They will also plug Docklands straight into the motorway network by way of the already open South Woodford to Barking Relief

The more critical stretch between Docklands and the City comprises the dual car-riageway cut and cover Lime-house Link, due in 1993. It should carry 3.290 vehicles per hour running parallel to a maximum 1950 vehicles per hour on the City end of the Al3. Congestion, undoubtedly, will not go away but Dock-lands' road access from outside London will then be as good as that for any comparable loca-tion within the conurbation.

Improvements to public transport, meanwhile, cur-rently centre on the upgrading of the Docklands Light Rail-Continued on next page

RESIDENTIAL MARKET

Built up from a standing start

THE TRAGICOMIC fact is that the most violent critics, and the most unreserved enthusi-asts for Docklands' housing, have never been there.

compared Docklands to the

house of a DIY fanatic who is rewiring, replumbing and rede-

corating the existing structure,

at the same time as converting the attic into a studio and

adding a granny flat over the garage, coinciding with his

On the one hand, tales of million pound waterside apart-ments blocking the river from some of the poorest public housing in western Europe pro-vide ample fuel for righteous indignation about the insensi-

forces. On the other, hopes of cashing in on the satellite launcher trajectory of property values in Docklands in the early 1980s have drawn speculative investors from around the globe into residential schemes from Wapping to Shad Thames, from Limehouse to the Isle of Dogs.
Comparatively few of the

ited number of the speculators, have looked beyond the headlines and the promotional bro-chures to see what really has been happening to an area that represents the largest single source of new housing within

Just as distance breeds extremes, so any closer look at Continued on next page

COMPETITIVE WAREHOUSING

IN LONDON'S DOCKLAND AREA

Do you have storage problems of any description? Archiving, light, valuable goods, or heavy (up to 50 tons) industrial or ship's spares? Then, it is likely that we can help you.



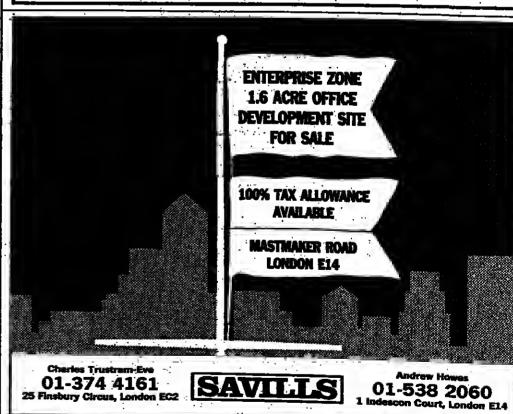
The Ship Management Division of Shell Tankers (UK.) Limited has available space in a heated and secure Warehousing facility in Poplar, East London. The Warehouse has excellent road connections to rail freight depots as well as to all airports and major sea ports within the U.K. Services can be "tailored" to your particular requirements but can include, as well as Storage, efficient Purchasing, Supply and Despatch Support such as is made available to, and enjoyed by, the "Shell" Fleets.

If you think we can assist please telephone:

Neville A. Brown on London (01) 934 3808 or Steve Greenwood on London (01) 934 2939 or write to Neville A. Brown. Tanker Fleet Services, Shell Centre, (STM/3), London SE1 7PQ.









Europe's new watercity is a whole new concept of living and working.

To find out more about developments in Docklands call (01) 515 3000 and ask for the Visitor Centre.

London Docklands. The Year Of Arrival

LONDON DOCKLANDS PROPERTY 5

Continued from previous page 20 per cent of the workforce, way which opened in 1987 but and although a new parking was by then already overtaken policy will be produced later was by then already overtaken by events. Its present many this year, there are limits to mum capacity between Tower what can be done.

MI eyes, therefore, look to some form of mass transit syschearly now insufficient. Work is in hand on station enlargement to take longer trains and an extension from the western terminus at Tower fill into Bank underground station is measures currently make to the produced later to his year, there are limits to some form of mass transit syschem that the produced later to his year, there are limits to what can be done.

All eyes, therefore, look to some form of mass transit syschem which, effectively, means a new underground line and the later to be done.

It is also one of a number of measures currently make to limits to what can be done. Bank underground station is under construction, a first tunnel opening next year and a second a year later. Its final maximum capacity could be

15,000 passenger per hour. But some simple arithmetic suggests that even more will he needed. If 100,000 people are to work in the Isle of Dogs (a: conservative estimate for 25ms sq ft), the DLR's 15,000 per hour to Bank station, 7,800 eastwards to the Royal Docks and whatever capacity a new crossing to Greenwich might have, implies that a majority of workers will have to travel by

That goes back to the question of traffic (which affects buses, bus lanes notwithstanding) and also to parking. The parking code has so far been

measures currently under consideration by the East London Rail Study which will be reporting to the Minister within the next two-months. There are two or three possi-

There are two or three possible options but the favourite is a "Canary loo" connection between Waterloo and Officenwich via Canary Whaif.

The minister has reaffirmed government support for the idea and subject to the findings of the Rail Study, it seems likely that a bill will be presented to parliament towards the end of the year. Once the market knows that the idea is definitely a starter, its potendefinitely a starter, its poten-tial capacity of 1,500 passen-gers per train should put a dif-ferent complexion on matters.

John Worrall

THERE IS a degree of grinning and bearing it in the Dock-lands office market at the moment. The going he reaction which greefed Canary Wharf's entry onto the scene has turned to circumspection, prompted by the stock market crash, economic slowdowns and increasingly obvious infrastructure problems.

But with upwards of 20m sq ft promised by the mid-1990s, and with talk of massive developments at Kings Cross and of prospective over-supply in the City, this is no time for the

city, this is no time for the faint hearted.

It is probably fortunate for all concerned, then, that faint heartedness is not usually associated with Olympia & York, developer of Canary Wharf. Leading Docklands from the front, the company is now bringing the Surka ft first now the front, the company is now bringing the 5m sq ft first phase of its 122m sq ft scheme ont of the ground. Credit Suisse and Morgan Stahley were each signed for a 600,000sq ft headquarters build-ing more than two years ago, hut in March Merril Lynch committed itself to take committed itself to take 240,000sq ft and that was a letting the market needed to see. The accepted wisdom is that if

Canary Wharf takes proper root, then the whole of the Isle of Dogs office sector will grow

with it.
The power and persuasiveness of O&Y leadership in pulling in major tenants and getting infrastructure in place is thus central to the psychology of Docklands, lest chicken and egg reasoning takes over: tenants want to be sure that Docklands will succeed before they commit themselves but it won't unless they do.

But the next 12 months will

still test a few nerves. According to Garry Silk of Jones Lang Wootton, joint letting agents on Canary Wharf with Debenham Tewson and Chinnocks, 1.7m sq ft of space is due to come on stream before any of the Canary Wharf buildings are complete and, on the face of it, over-supply, at least in the short term, seems to be a certainty. Silk says that rents can be expected to stay where they are at £20 per sq ft for the next 18 months as a consequence. It could be a trying time although in mitigation time, although in mitigation he says that tenants prefer a choice - tenants they will cer-tainly find higher quality

buildings in Docklands than in

OFFICE PROPERTY

Short-term over-supply

Ezra Nahome of Grant & Partners agrees. His firm is joint agent with Dabenham Tewson and Chinnocks on Phase 3 of South Quay Plaza, the 241,000sq ft scheme by Marples International. He says that cost is the most compelling reason for potential tenants looking east, to the extent that Docklands has in a sense

become a company hospital. "Many financial sector operations are currently running at a loss and so they have three choices; cut staff, cut salaries or cut costs. Docklands allows them the latter option, which is always preferable." He points out that Docklands has very nearly the lowest rents inside the M25, but says

the City or West End, at that tax savings are still a big hugely discounted overheads. that tax savings are still a big factor in the market — something which, perhaps, is to be expected, when the Enterprise Zone is the principal reason for the Isle of Dogs getting onto the map.

Mr Nahome's busiest time since arriving there was in the financial year ended in March, during which his firm sold £35m of tax shelter. Nick Tomlinson of Knight

Frank Rutley also cites cost saving as the higgest motivation of Docklands space takers. He is letting Harbour Exchange, a scheme of a million square feet in all, of which Phase I, developed by the Charter Gronp, accounts for about a quarter of the total. Of that phase, 90 per cent has now been let, much of it in the first

three months of this year, with space being taken by Nomura; British Telecom; Pershing Keen (part of New York broker Donaldson Lufkin); Guardian Royal Exchange: and Maersk. the Danish shipping company. Citicorp Insurance Brokera took 60,000sq ft, although they then amalgamated with Nelson Hurst Marsh and therefore sublet for three years to Olympia & York's Canary Wharf project

Tomlinson, like most others passing opinion, agrees that much depends on Canary Wharf. "If enough space is committed there, the impetus will encourage others," he says. Nevertheless he acknowledges the two other fundamentals which must fall into place: the road system, which, to improve access onto the Isle of Dogs is still two years or more from completion; and the

rail links.
This comes back to the fact that the Docklands office mar-ket is currently having to sell itself largely on trust. It is still a huilding site and, to an extent, an unproven and offcentre location which makes the visibility of efforts to improve infrastructure a very

Harbour Exchange: 1m aq f

oecessary part of the marketing. Another major problem for all involved, however, is the continuing lack of familiarity with Docklands among deci-

sion-makers. That might soon begin to change. It has become a cliché, but is nevertheless true, that towards the end of this year the main tower of Canary Wharf will start to climb over the City's eastern horizon and turn a few heads. Then it may begin to dawn on people how close Docklands is to the City.

John Worrall

Continued from previous page the capital's six mile-long building site reinforces the compromising fact there is no single Docklands' market. The garden suburb emerging in Beckton, at the far eastern edge of the LDDC's lands. ears as little resemblance to the converted Thameside warehouse and striking new build-ings of Jacobs' Island on the South Bank as the semis of Stanmore do to the terraces of

Regent's Park. Confusion about Docklands housing is an understandable result of the timescale of change. Looked at as a whole, in the space of eight years the private housing markat in Docklands has been created from a virtual standing start, it has out-boomed west central London and, just as sharply. hiccupped to a halt, having been unnerved by the stock market crash of October 1987.

The fact that the equity mar-kets storm did have such an effect on confidence, while it took a further year and a surge in interest rates to dent the pace of activity in the rest of the housing market in London, underlines the point that many actual or would-be buyers are just as unclear about the true nature of Docklands' mixture of housing markets as the out-

siders. It has been assumed that most private buyers are City working singles or couples without children whose prime-barometer of confidence is the volume of City markets' turn-higher earning people without over. As a result, prospective children. buyers in 1988 were evidently; themselves to a purchase where the opportunities for resale could be in doubt. This was especially at a time when most of the first phases of resi-dential developments in the western end of the docks are moving towards completion, and any resales would be in competition with first-time marketing of an average sup-ply of 60 new flats and houses.

Since then, buyers have been

summer's peak. Adding Octo-1988's interest rate movements leaves developers and Dockfewer viewers and regular, unacceptable scavenger offers pitched a speculative 20 to 25 per cent below the asking prices. This is a real, but

short-term problem.
Looking at private flat buyers' assumptions about the nature of the market, it would be surprising if it were not the case that demand has been led, thus far, by City-working sin-gles. Residential building has run ahead of the commercial ing more jobs into the area, and so, as Knight Frank & Rutley's recent ownership research confirms, six in ten

The area is the largest single source of new housing within London

Docklands buyers (seven in ten-in Wapping) do work in the City or West End.

Equally, apart from the affordable housing aimed at existing local residents, much of the initial residential conversion and new building has taken place on or near the riversion providing flats of a size

But to see this as evidence of a failure of confidence in Dock-lands thousing as a whole is akin to judging Van Gough's Sunflowers on the basis of his first charcoal sketches. With a further 3,000 completions due this year, and a fair number of last year's 2,300 completions iast year's 2,300 completions still available, 1969 is unlikely to be anything other than a quiet, hard negotiated year for sales. And anyone hoping for the kind of value surges companies. monplace a couple of years

back will hope in vain. Beyond that, however, therefurther deterred by higher Beyond that, however, there-interest rates and by the wider are a number of reasons why choice of homes in west Lon- even a prospective supply of don at prices down from last more than 24,000 extra homes

in the area over the next damper on future values. The first of these goes straight back to the different residential markets that are emerging within Docklands; markets that are distinctive enough to defy generalisations.

Wapping and Limehouse are already coming to be accepted as central, albeit still "fringe central", London addresses. Nearly half the total housing site capacity in both areas has now been built out and, as the last sites fill and the builders make way for the currently missing shops and restaurants, values are more likely to parallel those in other central London markets than any generalised figures for Docklands as a

whole.

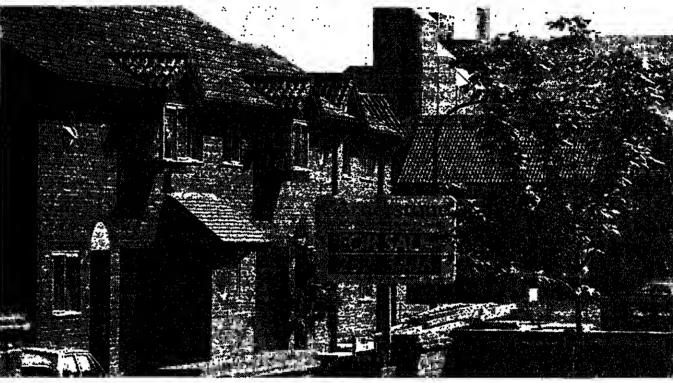
If Wapping, Limehouse and Shad Thames are set to be the Chelsea and Mayfair of the area. Rotherbithe and the Surrey Docks developments would accord more with the markets of Hammersmith and Fulbam. The southern curve of the river down to the former Surrey Docks includes a high propor-tion of what, for inner London, are comparatively low-cost homes. Long-term values there are likely to be directly related to improvements in transport. Over the river on the lale of

Dogs many of the residential developments that would have been competing for buyers and a price that me selects its over the next year to 18 potential market, and which months have been either does so with a clear eye on slowed or postponed in response to the sluggish state of the market. As a vast office development site, the island's residential future leans heavily tipon providing homes near work for the influx of office

to five years.

On completion, the offices in Canary. Wharf alone could bring over 50,000 jobs to the island, and even if only half of the 24m sq feet of offices in the development pipeline are actu-ally completed and filled, the 10,000 to 12,000 possible new homes there would scarcely match the prospective demand.

There are no real western parallels with the housing stock of the Isle of Dogs. Per-haps the nearest equivalent for



Anyone hoping for the kind of value surges commonplace a couple of years back will hope in vain

the apartment blocks built or planned on the island would be with the City's Barbican, although here they would be Barbicans with a view. Just as that is a medium to

long-term bet in terms of hous-ing values, so the Royal Docks are a housing market for the mid-1990s. Development work is only just starting in the Royals on a regional shopping cen-tre, the Londondrome sports exhibition centre and some 5m sq feet of business space. By the time that is well prog-ressed, and the first phases of an eventual 7-8,000 new homes start to come onto the market, the East London River Crossing will be nearing completion (current target dates suggest

1993-94) and the Docklands Light Railway should bave been extended through the Royal Docks to Beckton and into the rail system beyond. Each of these individual residential markets does, therefore, have its own strengths and weaknesses, quite apart from any broadar argument about the volume of housing completions in Docklands' swamping the London market. That theory is given a fre-ment airing, and it is used as reason for questioning whether a sufficient number of home-buyers can be found to keep pace with the supply of Dock-lands bomes. But one look at the capital's untapped bousing sites gives the lie to that

Banque Paribas Capital Markets' estimate of land supply for housing in the central Lon-don boroughs, based on the boroughs' own surveys, identifies just 150 acres of land immediately suitable for housing in the combined areas of Camden, Hammersmith and Fulham, Kensington and Chelsea, Westminster and Wandsworth. The comparable figure for the LDDC was 930 acres, making it far and away the most important source of new homes in the capital.

As the supply of former rental flat blocks for recovation and resale is near exhausted, and as inner London boroughs have begun to resist further sub-division of existing family homes into smaller flats, and more commonly refuse conversions that will lead to even more onstreet parking problems, it is becoming harder and more expensive to add to London's housing stock. Looked at In those terms, provision for 24,000 to 30,000 new flats and houses in Docklands over the next 10 years represents an addition of only 0.04 per cent to the existing total of inner Lon-

don bouseholds.

It would be difficult to conjure the spectre of a bousing glut from those figures, or to see any reason wby sales activity in Docklands' residential markets should lag behind the rest of London as it revives from its long winter doze.

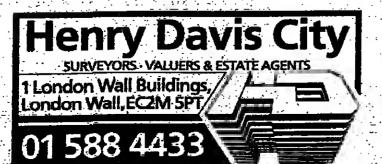
John Brennan



A unique self-contained Office Headquarters in the heart of Docklands

APPROX

18,200 SQ. FT. TO LET





THEATRE

London

Hamlet (Olivier). This picturesque Renaissance revival by Richard Eyre for the National Theatre is a disappointment, though Daniel Day-Lewis may improve with experience in the role. Judi Dench is a muted Ger trude, Michael Bryant a superbly busy and dangerous Polonius May 16-18, May 25-June 1 (928

The Black Prince (Aldwych). Ian McDiarmid gives the perfo Ian McDiarmid gives the perfor-mance of a lifetime in Iris Murdoch's distillation of her own Hamlet novel. Witty black farce, vitriolic and entertaining (836

Ghetto (Olivier). Brilliant National Theatre version of Joshua Sobol's Israeli play about the last days of the Vilna ghetto and its resident theatre company, May 12-15, 23, 24 (928-2252). The March on Russia (Lyttelton). The old Royal Court firm of director Lindsay Anderson, designer Jocelyn Herbert and writer David Storey combine to good effect at the National on a new family visitation of the past. May 12-13 (928 2033). King John (The Pit). Deborah Warner's RSC revival reveals a near-masterpiece, hitherto ignored. Worth queuing for, even at the Barbican, May 26, 27-30

(638 8991). The Tempest (Barbican). Magiste-rial RSC revival directed by Hytner, with John Wood returning in triumph as the most complete Prospero of our age. Refreshingly unlike mainstream RSC work of late, May 18-27 (638 8891). Single Spies (Queen's). The high-light of Alan Bennett's double bill is a comic confrontation between Prunella Scales as Her Majesty the Queen and Bennett himself as Anthony Blunt in the royal picture gallery. (734 1166). M. Butterfly (Sbaftesbury). Anthony Hopkins as the tortured

fer-style "spectacle of ideas" dressed up in John Dexter's superb production as a metaphor of homosexual life. (379 5399). A Walk in the Woods (Comedy). Alec Guinness and Edward Herrmann in feeble off-duty arms negotiation encounter by Lee Blessing, Guinness, back on the London stage after 10 years, is n subtle virtuoso form as the Soviet veteran of tactical stone-walling and no-dealing tricks (930 2578, cc 839 1438). Brigadoon (Victoria Palace). 1947 Lerner and Loewe "heather-scented" Scottish fairytale hit is handsomely revived and well sung, less frail than expected (834 1317, cc 836 2428). The Vortex (Garrick), Maria Ait-

ken and Rupert Everett in bril-liant reappraisal by Philip Prowse of Noel Coward's 1924 atudy of drug addiction and mother fixation. (379 6107, cc 741 9999). Henceforward (Vaudeville). Ian McKelien and Jane Asber in

bleakly funny and experimental Alan Ayckbourn comedy of future shock and strained marriage. (836 9987, cc 741 9999). Aspects of Love (Prince of Wales). Andrew Lloyd Webber's latest is an intimate chamber operetta derived from David Car-nett's 1955 novella. Musically interesting and well directed by Trevor Nunn, a cast of unknowns project the right sense of sybaritic insouciance. A probable, but unspectacular, hit (839 5972).

lcacream (Royal Court). Caryl Churchill's new play is a dense 70-minute meditation on a transatlantic misalliance between English relatives. An intrigustyle, directed by Max Stafford Clark (730 1745).

New York

Heidi Chronicles (Plymouth). Wendy Wasserstein's award-winning drama covering 20 years in the life of a successful American baby boomer goes from sup-port for Eugene McCarthy's pres-idential aspirations to electoral ambitions in the 1980s, accompa-nied by the musical and emo-tional flavour of the period (239

6200). Lend Me a Tenor (Royale), A sprucing up in the set of a decay-ing town's blg time opera ambitions makes a transatlantic hit of this farce, first produced in London, but now with a local cast led by Philip Bosco and Vic-tor Garber (239 6200),

Shirley Valentine (Booth). Pau-line Collins brings her West En triumph to Broadway in Willy Russell's amusing and touching story of a Liverpool woman's awakening in the Aegean Sea. Simon Callow again directs with-out smoothing any of the North-ern English edges that retain an authentic touch.

Jerome Robbins' Broadway (Imperial). Anyone attracted by the notion of a three hours of film trailer previews will adore this compendium of Robbins' directed and choreographed plays of the past 40 years, including On the Town, West Side Story and Gypsy.- Rumours (Broadhurst). Neil Simon's latest comedy is a self-

Simon's latest comedy is a selfconscious farce, with numerous slamming doors and lots of mug-ging but hollow humour that misses as often as it blts. Chris-tine Baranski leads an ebullient cast in the inevitable but disappuinting hit. Cats (Winter Garden). Still a

sell-out, Trevor Nunn's produc-tion of T.S. Eliot's children's poetry set to music is visually startling and choreographically feline (239 6262). Les Misèrables (Broadway). The magnificent spectacle of Victor Hugo's majestic sweep of history and pathos brings to Broadway

lessons in pageantry and drama (239 6200). Me and My Girl (Marquis). Even if the plot turns on ironic mim-lery of Pygmalion, this is no clas-sic, with forgettable songs and dated leadenness in a stage full of characters. It has nevertheless proved to be a durable Broadway hit (947 0033). M. Butterfly (Eugene O'Neill).

The aurprise Tony winner for 1988 is a somewhat pretentious and obvious meditation on the true story of the French diplomate whose long-time mistress was a male Chinese spy (246 0220). Phantom of the Opera (Majestic). Stuffed with Maria Bjornson's gilded sets. Phantom rocks with Andrew Lloyd Webber's baunting melodies in this mega-transfer from London (239 6200).

Washington

American Juke Box (Ford's). Music from the 1950s and 1960s is performed by a dozen-strong ensemble directed and choreo aphed by Edward Love. Ends

Sophisticated Ladies (Kennedy Center Opera House). The first Soviet-American co-production of a Broadway musical features an energetic cast dancing and singing to a Duke Ellington score Ends May 27 (254 3770).

Chicago

Speed of Darkness (Goodman). The world premiere of Steve Tesich's domestic drama involves the reunion of Vietnam veterans and the havoc it wreaks on a successful South Dakota family. Ends May 20 (443 3800). Driving Miss Daisy (Briar Street). The touching relation-ship between a dowager, played

in this production by Dorothy Loudon, and her black chauffeur exposes the changes in the South over the past several decades Steel Magnolias (Royal George). Ann Francis and Marcia Rodd play the leads in this view of southern life from under the dry-ers in a busy hairdressing estab-

lishment (988 9000).

Tokyo Kabuki, Kabuki-za Theatre (541 3131). The main work in the mati-nee programme (11am) is often known as the Women's Chushinguru, because of its resemblance to the famous story of the ven-detta of the 47 loyal samurai. One of the pieces in the evening programme at 4.30pm, Sesshu Gappo ga Tsuji (Gappo and his daughter Tsuji), was banned as late as 1937 for its immorality. Bunraku. National Theatre (2 Bunraku. National Theatre (265
7411). Sugawara Denju Tenarai
Kagami (The Secret of Sugawaro's Calligraphy) is one of the
great 18th century masterpieces
of Japan's sophisticated puppet
theatre. The play is performed
in two parts (at 11.30am and
4.30pm). Both kabuki and bunraku performences have err. raku performances have earphone commentary and pro-gramme notes in English. gramme notes in Engish.

Hebei Opera from China.

National Theatre (580 0031).

Hebei Bangzahl Opera from Hebel
Province is a combination of
many local styles, and similar to Peking Opera. The company presents *Zhong Kul*, which is based on a fairy tale that has been popular in China for over a thousand years. Ends May 10. The Cherry Orchard (in English). Ginza Saison Theatre (535 0555). Peter Brook's widely acclaimed production was first seen in Jean Claude Carriere's French translation in Paris and later in English in New York. The cast includes Brook's wife Natasha Parry as Ranevskaya, as well as Arthur Miller and Norman Mailer's daughters. A family show!

OPERA AND BALLET

Royal Opera, Covent Garden.
The latest showing of the splendidly exotic Andrei Serban production of Turandot is conducted by Stephen Barlow, Peter Hall's celebrated Glyndehourne production of Albert Harring is borround for Sixt Lordon phone. rowed for a first London show-

English National Opera, Coll-seum. Elijah Moshinsky's quirky production of *The Mastersingers* production of The bidstersingers returns with its original conductor (Mark Elder), Hans Sachs (Gwynne Howell) and Beckmesser (Alan Opie); the cast also includes Alberto Remedios and Jane Eaglen. Further performances of the new, unsatisfying Content Viole reduction of Graham Vick production of Eugene Onegin, with Jonathan Summers and Susan Bullock; and Don Giovanni in Jonathan dark, handsome staging, with Steven Page in the title role.

Chatelet. Francois Poulenc's La Charelet. Francois Fourenc's La Voix Humaine, a one-act lyrical monologue by Jean Cocteau. Ensemble Orchestral de Parisis conducted by Serge Baudo in a new production by Alain Francon, the woman represented by Gwyneth Jones (40282828).

MUSIC .

London

Royal Philbarmonic Orchestra, conducted by Andrew Litton, with Heinz Holliger (oboe). Weber, Mozart, Rachmaninov. Barbican Hall (Fri, Sat, Tue) (636

8891). Hallé Orchestra condusted by Stanisław Skrowaczewski. Webern, Prokofiev, Tchalkovsky. Royal Festival Hall (Sat) (928 8800). London Symphony Orchestra.

conducted by Nicholas Cleobury, with Pers Lane, piano, Rossini, Mozart, Grieg, Beethoven, Barbi-can Hall 8pm (Sat) (638 8891).

Marc Laforet, (piano). Chopin. (Tue) Salle Gaveau (45632030). Radn Lupu, (piano). Bach, Moz art, Schubert. (Tue) Salle Pleyel(45636873). Orchestre National de France,

conducted by Georges Pretre, with Oscar Shumsky (violin). Rimsky-Korsakov, Prokofiev, Dvorak. (Tue) Theatre des Champs Elysées (47203637).

Cupido (46.17.55).

Testro la Fentce. Wagner's Parsi-fal, conducted by Ghiseppe Sino-poli, with the choir of the War-

Opera: Theater des Westens, Leonard Bernstein'a operaCan-dide, produced by John Dew will have its premiere this week. The cast includes Jane Giering, Iris Vermillion, Patricia Johnson, Wolfgang Trautwein and Donal George. Cosi fan Tutte in Götz Friedrich's production features Eva Johansson, Mariana Ciorom-lla, Carol Malone, Alan Titus and Gerd Feldhoff. Biodetto has and Gerd Feldhoff. Rigoletto has and Gerd Feanor, agosem ha-fine interpretations by Angela Denning (Gilda), Ingvar Wixell in the title role and Victor von Halem (Sparafucile).

great producer Jean-PerrePon-nelle, who died last year, by res-

Girault, Beethoven (Wed) Salle Freyer (whose sold).

Irene Kudela, (piano), with Peter Keller (tenor), Marie Boyer (alto) and members of the Radio France Choir, Janacek (Wed) Radio France Studio 106

Schwetzingen Festival

Strauss' birthday with Ariadne auf Naxos, produced by Erbard Fischer. Other highlights are Lleder recitals by Lucia Popp, Rena Kollo, Eva Lind, Francisco

The Royal Academy. The Royal Treasures of Sweden 1550-1700. An exhibition that sounds some-

what dry and daunting but is

whola of Europe in the time of Sweden's abrubt emergence as

a European power. Arms and armour, gold and silver: but most delightful, perhaps are the fab-rics, most of all the complete and heavily brocaded caparisons that might be taken straight

from the great equestrian state portraits of Velasquez. Daily

until June 18; sponsored by Gam-

Carte Musées et Monuments sold

in museums and Metrostations enables visitors to avoid queues

at 60 museumsand monument including the Louvre, Musée

d'Orsay and Versailles Palace.

Grand Palais. The French Revo

lution in Europe. A vast exhibi-tion organised by the Council of Europe tries to situate the

of Europe tries to situate the French Revolution in the social and political context of Europe as a whole. Over a thousand paintings, sculptures, engravings, objets d'art and everyday objects lent by 15 countries retrace the pre-revolutionary spiendour of European courts and the aristogram as opposed

and the aristocracy as opposed to the laborious life of the peas-ants. The fall of the Bastille, the

auts. The fall of the Bastille, the symbol of the Revolution, is richly documented, as is the political influence of artists who, by representing the heroes of antiquity indirectly bestowed the Roman Republicanvirtues on an idealised contemporary reality. A visual representation

reality. A visual representation of the Human Rights Declaration

becomes a cornerstone of the

revolutionary iconography. The exhibiton ends with images of the seizure of power and restoration of an authoritarian regime. Closed Tue. Late opening night Wed. Ends June 26 (42895410). The Louvre. Les donateurs du

Louvre. Aptly, the newly refur-bished museum inaugurates the

Louvre. Aptly, the newly refurbished museum inaugurates the 1,200 square metres of space created underground for temporary exhibitions by expressing gratitude for the generosity of donors throughout its existence. What would the Louvre be without Kembrandt's Bethsabee, Goya's Marquise of Solana or without tha odalisques in the Turkish Bath by ingres? Without the Greco-Roman silverware from Boscoreale, the towering effigy of King Amenophis IV or Cressent's 18th century Commode with a Monkey? Between the first gift—a 17th century Dutch genre scene A Dropsical Woman bestowed by a young officer in 1796 and the last offering—Saint Thomas, by Georges de la Tour purchased thanks to a public subscription in 1988, 350 works chosen from among tens of thousands show the excellence and variety of donations which enriched the original royal collections. Even the Venus da Milo entered the Louvre as a citt though the has

the Venus da Milo entered the Louvre as a gift, though she has not been moved for the exhibition. 12am to 10pm, all days except Tuesdays. Ends August 21. Entry through the Pyramit. Hall Napoleon, Niveau Accueil. Musée Jacquemiart-André. Russian historical costumes. Leningrad's Hermitage Museum has lent 300 exhibits from its treasure trove of historical costumes dating from 1700 to 1914. Richly embroldered court dresses, rold

embroldered court dresses, gold on red velvet or silver on silvery brocade vie with the gracefulness

of French-inspired lines of a white muslin dress. There are uniforms, sacerdotal robes and

servants' liveries, there is the exotica of peasants' colourful clothes. Some 50 portraits com-plete the exhibition, 158, Bld

the Venus da Milo entered the

in fact a wonderful spread of riches, beautifully presented, trophies drawn from across the

EXHIBITIONS

London

Rome

Teatro Dell'Opera. Mauro Bolog-nini's production of Francesco Cilea's Adriana Lecouvreur, with Raina Kabaiyanska and Alberto

saw Philharmonic and the Piccoli Cantori Veneziani, (5210161).

Opera. Cologne honours the

Choeur et Orchestre des Grandes Ecoles conducted by Benoît

Cologne

Orchestra of the 18th Century conducted by Frans Brüggen with works by Jean-Philippe Ramean. Beethoven. Philharmonie. (Thurs).

Schwetzingen Rococo Theatre presents a festival from April presents a festival from April 29 to June 9 with a mixed pro-gramme of opera, chamber music and theatre. The Cologne Opera is represented by two Rossini operas in Michael Hampe's productions. Berlin commemorates the 125th anniversary of Richard

taging the complete Mozart cycle of seven operas, all produced by bim. This week's performance includes Dom Gioranni with Ferrucio Furlanetto in the title role, Carrol Vaness, Ashley Putnam and Ulrich Hielscher. Ripoletto has a new cast led by Benito di Bella, Janice Hall and Juan Lloyares. The ballet Nussknacker.

Berlin

and to music by Latta Dean. Jasques Palix and Tom Wil-lems. La Bohème returns with a star cast led by Fiamma Izzo l'Amico (Mimi), Maren Huffstodt Musetta), Keith Olsen (Rodolfo). Munich Opera. Fidelio has a first rate cast led by Sabine Hass Julie Kaufmann, James King and Claes H. Ahnsjoe. Modame But terfly is sung by Keiko Kame-gawa, Gudrun Wewezow and

Opera. Rhopsodie/Theseus and Araiza and Tom Krause. The concerts feature Stuttgart's Radio Orchestra, Virtuosi Saxon ise, conducted by Ludwig Guet-tler, Württemberg Chamber Orchestra with conductor Jörg Faerber, Camerata Bern and Haydn's Die Schöpfung with Stuttgart's Radio Orchestra under Neville Marriner. Ballet performances and theatre activi-ties round off an interesting pro-gramme. Schlossplatz, 683 Schwetzingen (06202/4933).

Волл

Rome John Elwes, (tenor). Monteverdi. Riccio, Praetorius, Grandi, Cornetti and Merulo. (Wed) Teatro

Olimpico (393304).

Amsterdam The Orchestra conducted by Alexander Vakoulsky, with Vic-tor Liverman (violin). Samama, Sibelius, Tchaikovsky (Sun). Michail Schopper (bass) accom-panied by Andreas Staier on the forteplano. Schubert (Thur). Concertgebouw (718 345). Netherlands Philharmonic

eras. The ballet Nussknacker und Der Mausekbnig rounds off

Opera. Fire will have its pre-

and to music by Laura Dean,

Rduardo Villa, Tosca festures Natalia Troitskaya, Peter Dvor-sky, Silvano Carroli.

miere, danced to choreographyby Laura Dean, William Forsythe, Daniel Larrieu, Amanda Miller

Frankfurt

Chamber Orchestra with Mar-ieke Blankestiin (violin), Antoni Haussmann, 12 noon-6.30pm; ends May 31. Goethe Institut, Munich 1937

 I'Art Diffame, I'Art
Acciame Photographs, documents, reproductions and originals evoke the shock of the famous pre-war confrontation of two exhibitionsopposing the avant-garde artists who have since become thegreat names of modern art, considered as degenerate, and thetraditional German painters, all clean limbs and moral valuesin a brutal exercise of Nazi propaganda, 17 Ave d'Iena (47236121). Closed Sat, Sun. Ends June 15.

Centre Georges Pompideu. Yves Saint Laurent. Fashion photographs. Ever since he launched the ideal of a dynamic, modern woman, the great conturier has reeped in his by top professionals who trans-lated into images the dreams of exoticism and the seduction of cool, distant perfection. Ground floor, Galerie du Forum:

closed Tue. Ends May 22 (42771238). Musée des Arts Decoratifs. The intimate world of Alexandar Calder, some 800 works, most of them gifts to family and friends and, as such, exhibited for the first time, show the inventiveness and sense of humour of the sculptor. Tins are turned into birds and twisted wire catches the likeness of a friend, while a miniature circus is created from blts and pieces. in a riot of playfulness. Ends May 21. Closed Mon and Tue (42603214)

Amsterdam

Stedelijk Museum. The first major retrospective of the work or Kasimir Malevich combines loans from leading Soviet gal-leries with the famous holdings of the host museum. Ends May

Van Gogh Museum. Prints drawings and gouaches illuminate the work of Gauguin's followers the work of Gauguin's followers. the work of Gauguin's followers who banded together under the name Les Nabis. Ends May 28.

Maastricht, Bonnefanten
Museum. The finest of the early Italian paintings in Dutch collections have been gathered together in a show containing works by Duccio, Guido da Siena, Filippino Lippi, Bellini and Carlo Crivelli. Ends July 9.

Museon. The World of Aime' Frank sets Anne's life in the con-text of her time with more than 500 photographs and a video show. Ends May 28.

The Hague

Palais des Beanx-Arts. Art Deco in Europe. Tues-Sat, closed Mon. Ends May 28. Archives Genérales dn Royaume. Witches in the Netherlands. 16-17 centuries (closed Monday). De Jonckheere Gallery. Exhibi-tion of works by Alechinisty. Brueghel, Magritte and Spilliaert. Ends May 27 (512 9948). Gelerie CGER. Tha Heritage of the French Revolution 1794-1814. Dally, ends June 11. Daily, ends June II.

Frankfurt

'Je Suis le Cahier', the sketch-books of Picasso. This exhibition of 40 sketchbooks and around 200 paintings, organised by the New York based Pace Gallery and sponsored by the American Express company, will have its second stop here in Frankfurt on the European tour. Ends May 28. Schirn Konsthalle und Kunstver-

ein, Am Römerberg Prospect
39. Peter Weiermair director of
Frankfurt's aris association has
again chosen a wide variety of
artists with around 80 painters
and sculptors from 15 different countries for this year's Prospect 89. The gallery of the Schirm

Museum, gives the visiter the opportunity to follow the artist's creative development. Among Arradne are both choreographed by Youri Vamos. Last perfor-mance of Die Fledermaus, Tann-häuser stars William Johns, Heinz Sotiu. Gabriele Benackova, Nadine Denize and John Broe-cheler. Also a concert version of Bellini's I Puritoni.

New York

American Ballet Theatre. Bum's Rush, Everlast and Quartet, three Rush, Everiast and Quartet, three works Tywa Tharp created for the company and set to music by Dick Hyman, Jerome Kern and Terry Riley, highlight the second week, which also includes Clark Tippett's Bruch Violin Concerto No. I. Classics revived in the week are La Sylphide and Gairé Parisienne. Lincoin Center Opera House (362 6000).

Amsterdam Muziektheater Nederlands Dance Muziektheater Nederlands Janc Theatre celebrates its 30th anni-versary with Symphony in D (Kylian/Haydn), Arenal (Duato) and Hans van Manen's new bal-let. Black Cake (Fri. Sat. Sun). Netherlands Opera production of Simone Boccanegra by Verdi directed by Stephen Wadsworth. The Netherlands Philharmonic conducted by Graeme Jenkins. with Henk Smit in the title role and Charlotte Margiono as Ame-lia (Sun, Wed) (255 455).

Ros-Marba conducting, Haydn, Mozart, Hindemith (Fri). Netherlands Philharmonic Chamber Orchestra under Hart-mut Haenchen, with Maria Joao Pires (piano), Beethoven (Thur). Beurs (27 04 66).

New York

New York Philharmonic conducted by Zubin Mehta with Paul Tobias (cello), Peter Orth (piano) and Kyoko Takezawa (violin). Barber, Rachmaninov, Bartok. Avery Fisher Hall (Thur) (874

Washington

National Symphony Orchestra conducted by James Conlon with John Aler (tenor) and Barry Tuckwell (french horn), Shostakovich, Britten, Dvorak, Kennedy Center Concert Hall (Tue)

(254 3776). Fairfax Symphony Orchestra with the Paul Hill Chorale. Programme of great opera cooruses. Kennedy Center Concert Hall (Wed). (254 3776).

the artists are Thomas Gruenfeld. Heinrich Dunst, Peter Halley and well known Robert Man-gold, Donald Judd, Ellsworth Kelly. This exhibition also includes some performance art based on the ideas of the artist Richard Artschwager, Kunstverein presents works with special themes with pictures by Frencesco Clemente, Leon Golub. Franz Wanner and Mike Kelley. Scott Burton, shows two stone seats Ian Hamilton Finlay with 12 heavy stones under the title of "The present order is the dis-order of the future" and Barbara Kruger is the exception with her photographs and picture text

montages. Ends May 21.

Berlin Fritz Koenig, 35 sculptures worked in iron, 70 script pictures and 80 drawings by the German artist Fritz Koenig, born in 1924 are exhibited until May 1. Akade-

mie der Künste, Hanses Willi Baumeister (1889-1955)... To commemorate the 100th anniversary of the German abstract artist's birth there are 140 works from all periods of his working life to he seen until May 28. Nationalgalerie, Potsdamer-

Strasse 50. Cologne

Bilderstreit. Rheinhallen der Kölner Messe, Messegelände. Deutz. The two organisers Johannes Gachnang and Siegfried Gohr, present "contradictions and contrasts as the essential source for the debate about con-temporary art". This exhibition is in contrast to avantgarde: it explains areas of action and attempts to provide an unpreju-diced outlook on the current art scene. Approximately 1,000 works by 130 artists concentrate on art since 1960. The show should give a detailed view of different art styles, with "old classics" of modern art next to works by contemporary artists.

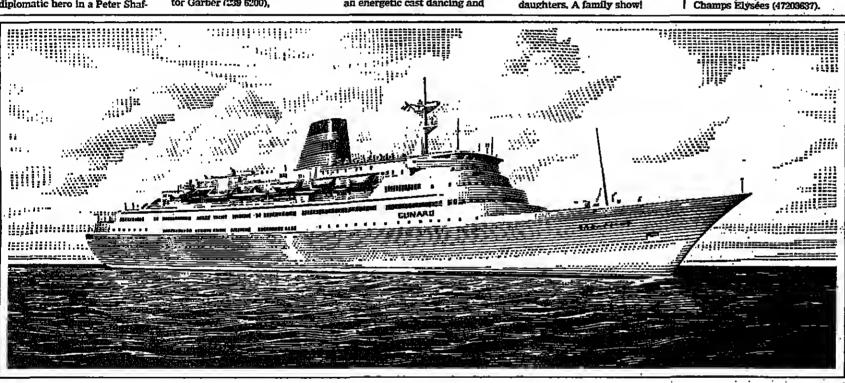
Among them are Gilbert and
George, Kasimir Malewitsch,
Blinky Palermos, Carl Andres,
Edvard Munch, Markus Luepert Edvard Munch, Markus Lueperts photographers Bernd and Hilla Becher, Joseph Beuys and Dadaist painter Marcel Duchamp, John Baldessaris and Georg Beselitz. There are also works from William Copley's collection by Duchamp, Man Ray, Max Ernst and Rene Magnitte. Ends July 2.

Secession. Exhibitions by Johann Jascha, an Austrian artist and Cindy Sherman, the American photo artist. Both until May 28. The Benedictine Monastery in Melk, an hour's drive from Melk, an hour's drive from Vienna, celebrates its 900th anniversary. Besides a fascinating collection of paintings, books and later, newspaper cuttings, the Abbey hoasts that finest, the Abbey hoasts that finest, baroque architecture in this part of Europe. Until November 15. The Kunstforum, a new art gallery ruin by the state-run Leanderbank, makes its debut with the Leopold collection, a Vienness who bought several paintings by Egon Schiele, one of the leading lights of Vienna's findesiècle, for next to nothing in the 1950s. There are some wonderful Klimt sketches and Kokoschkas. Well worth catching, Ends June.

Accademia di Spagna. Tha Miros of Miro: More than 100 works by Joan Miro, including ceramics, drawings and watercolours and oils, which had been kept in the artist's studio in Majorca until his death in 1983. Until June 4.

June 4.

Galleria Nazionale d'Arte Mod-gana. The Sonnabend Collection contains a little of everything, from pop-art with some of the best-known works of Warhol, Continued on Page 17



CUNARD HAS THE WORLD'S TOP SHIP. AND FIVE OF THE TOP EIGHT.

The Sagafjord... it's hailed as 'The World's Best Ship' by 'Fielding's Worldwide Cruises; 'The Berlitz Complete Handbook to Cruising, and the World

Ocean and Cruise Liner Society. These experts also rank the other four ships in Cunard's luxury fleet among the top eight ships in the world.

Sagafjord, Queen Elizabeth 2, Vist-

afjord, Sea Goddess I and Sea Goddess

ll have all received the industry's

highest rating of Five-Plus-Stars, and have done so while offering distinctly

differing styles of luxury.

Superliner QE2 offers the continuous excitement of a 24-hour 'city-at-sea'. Flagship QE2 boasts seven lounges, four world class restaurants, and a promenade of international luxury boutiques. Sagafjord and Vistafjord

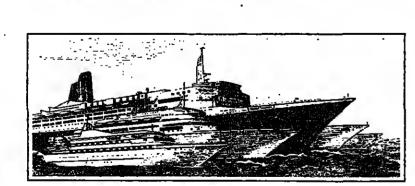
offer the classic cruise experience,

featuring highly personalised service

and the luxury of single-seating dining. Sea Goddess offers the unstructured ambience of a private yacht, with exceptional service reserved for a

maximum of 58 couples. Sail from 3 days to 3 months, to the

world's most fascinating ports. For more information, call your travel agent. For a free brochure or a £10 video, featuring five of the Cunard ships please telephone 01-491 3930.



SAGAFJORD:	VISTAFIORD:	CUNARD COUNTESS:	CUIKARD PRINCESS:	QUEEN SLEFABETH 2:	SEA GOODESS
Caribbean	Caribbean	Caribboas	Bernauda	Caribbean	Caribbeen
Alaska Beranda	Transcinanc		Mediterranean	Oriest Transationals	Medikerranear Franch Rivier
New England	Mediterzasean		South-From-Spain	South America Northern Europe	The Black Son

Five-Pius-Star — QUEEN ELIZABETH 2, SAGAFJORD, VISTAFJORD, SEA GODDESS 1 & D. Pour-Star — CUNARD COUNTESS, CUNARD PRINCESS.



CUNARD

Doctor Faustus

SWAN THEATRE, STRATFORD-UPON-AVON

Barry Kyle's revival is a timid convocation of outmoded experimental cliches wrapped up in the limiting Christian paraphernalia of a ceremonial Mass.

Again, the design goes against the grain of the galleried architecture. The doctor's study is a semi-cylindrical grey cell inserted in the glisteries. timber, with a staircase and a steely arc-like ladder to the stars. At least Ashley Martin-Davis is trying to envisage an intersection between the med-eval and Renaissance worlds. But what goes on in the performance smacks of drama class exercises and ghastly fringe grope ins of two decades ago. Faustus'a fellow students, an all male body with half-nude

bodies, are a writing mass of angels and devils, spirits and acolytes. They officiate cross-legged at the systematic rejection of the conventional sciences and disciplines, don-ning red satin cloaks for a prancing floor show and forming a mobile machine for the

The Royal Shakespeare from a group of happy hum-Company can hardly be mers. Guttony rolls around-blamed for returning yet again like a drunken tar at the head to Marlowe's spiritual tragedy, of a stomping human snake but it is indicative of the cur-rent artistic disarray that accent. When Helen of Troy appears to suck forth Faustus's soul, she is a bloke, and a very

manly bloke, too.

I recall a production by Christopher Fettes that owed a great deal to Lindsay Kemp and dallied with a homo-crotic reading of the text. It worked very well But here Kyle's RSC chaps remain RSC chaps in a design vacuum.

Fettes' Faust was the young-ish James Aubrey, and Gerard Murphy, another fine graduate of the Glasgow Citizens, is a good choice for the sensual experimentalist. He is brought a "wife" while Ilona Sekaca's mock ecclesiastical score pro-vides a "Sanctus." He draws vides a "Sanchis." He draws blood in the pact with the devil and collects it in a chalice. His offertory becomes a poisonous Collect. Blasphenous commnnion results in everlasting death. When the clock strikes, he ascends to the heavens but falls down a hatch to hell in a cruciform case.

cruciform cage.
I applaud at least the direcprancing floor show and forming a mobile machine for the Seven Deadly Sins.

Pride pops up like a prow on a ship. Wrath hisses and jumps on the spot. Envy stands aside



Gerard Murphy, centre

unfunny in those impossible interludes at Rome and at the court of the Duke of Vanholt. Only David Shaw-Parker's granite-faced Pope hits the right note of blithe discomfiture. This year's Puck, Richard McCabe, cannot slot Wagner into the overall scheme beyond

dopting a malevolent sneer. Also missing is a damned ymbiosis between Faust and Mephistopheles. The cadavar-ous David Bradley plays the latter, and scores some fine points of glacial, glancing com-edy in his flat, expertly con-trolled delivery. But just as the

play meditates on the hlurred demarcations between science and magic, so it must surely explode in a conflagration of yearning and temptation. This was not the case in Stratford on Wednesday night.

the general laceration of the lyric beauties of the verse, but Murphy's success in resenting his fate as the private dabbler who is snddenly in demand all

Michael Coveney

Béjart extravaganza at the Grand Palais

Clement Crisp reviews '1789 . . . Et Nous' in Paris as part of the bicentennial celebrations

mid the bicentennial celebra-tions of the French Revoluthe hig dance statement about 1789 than Maurice Bejart? Béjart is not afraid of anything: not the Revolution, not Beethoven symplonies, not the size of the Grand Palais, not pollution, nor the third world, nor 50 Chinese on hicycles. Come one, come all, Bejart and his Lausanne Ballet will cram these into an extravaganza, like a man forcefeeding a Strasbourg goose, The result is the preposterous and sprawling two-hours-withont-an-interval show currently pulling in the Paris dance public to the Grand Palais, more usu-ally the abode of exhibitions.

The performing space is magnifi-cent, specially created beneath the central axis of the palace's roof. Tem-porary banks of seating for 4000 face the cavernous area formed by the curves of arches that rise from the double sweep of the Escutier d'Honneur. Below, the huge stage; above, the domed glass of the roof, with evening performances beginning at 9.30, so that as the light fades, the wild and improbable activities of "1789 et Nous" can rush at us out

of the dark. The show - one can't call it anything else — is a typical Bejartian jugging of fact and fantasy, pretension and maight. The fascination for sion and insight. The fascination for Bejart in drawing unflattering paral-lels between then and now, and, in what is a combination of tease and tract; showing the betrayal of the Revolution's ideals and the miserable decline in the human condition. Thus the references to the Taird World, to Pollution, and the dedication of the greating to Roberneyre — who fee Pollution, and the dedication of the evening to Robespierre — who features in a lustrously spoken impersonation by Jean Negroni. ("The Peoples of Europe know everything, except their Rights and their Duties.")

Declaring that the history of the Revelution is for children, Bejart brings on a horde of those unlovellest

of God's creatures, infant performers, and involves them in a display of tricks and treats. Four incidents from 1789 mark the four sections of the evening, and Bejart heing Bejart, movements from four Beethoven symphonies (numbers 1,7,8,and 9, of course), separate them, with the four elsments, four continents, and Heaven knows what other examples of intellectual prestidigitation added in for good measure. This mixture of the banal (the dance element) and the boisterous, spills over the vast stage area but is controlled by Bejart's ebul-lient sense of theatre, and by brilliant lighting and flawless sound and

mechanical effects.

We begin with pollution, dusthins and men in gasmasks, children's cries, and such figures from Bejartian mythology as his alter ego, Bim, a sprightly figure danced by Xavier Ferla, and Jorge Donn ferocionsly winsome as a red-nosed clown (Oh winsome as a red-nosed clown (Oh, for a Guillotine). Thereafter, the stag-ing casts a wide and indiscriminate

net. I can understand showing the arrival of Louis XVI and his Queen in Paris as tight-rope walkers — their historic return from Versailles no less precarious — and I accept the rele-vance of comments noon African slavvance of comments npon African slav-ery, and the wit of presenting the fine Cuban ballerina Loipa Araujo as a Guevara-style revolutionary. One might even acknowledge Bejart's right to bring in the Almighty Dollar by the scrag of its neck, with atten-dant chorines and the strains of "We're in the money." But the fifty Chinese on bicycles? Charlie Chaplin? The Indian dancer? And the horse? The Indian dancer? And the horse? (This last showed a latent critical faculty when I saw the piece by collapsing on stage rather than going through its routine).

"1789 . . . et Nous" is, I suppose, irresistible in its hravado, and in its sardonic view of what the Revolution bas meant - and not meant. Politics rarely makes good ballet - for all that the origins of our ballet lie in the

"political" entertainments of the Renaissance – and my chief reproach is that the dance in this entertainment is thin stuff. There are heavy-handed ensembles that rely upon good intentions rather than good invention, and solos hrashly made and brashly danced. Amid the flim-flam and spurious raptures of Bejartian style, one performance seemed to me to shine. The young danseur Goran Svalberg moved clean and precise, a classical artist amid a cohort of fakes.

The accompanying score, when not hy Beethoven, is tastelessly by Hugues Le Bars. Costnming is by Michel Dussarat, who also performs as master of these ceremonies. And, whatever my despair at the dance, Bejart's ability to entertain and to involve us in his fantacine makes for involve us in his fantasies, makes for an evening that celebrates the Revolution with a wry bumour and a good heart. And the Grand Palais setting is



The Mamu Players

. .

Township Boy

The theatre that has poured drumming, stomping and sing-from the South African townships in the last few years has been passionate, rhythmic and too often much of a muchness. The prominence of anti-apart heid feeling on the political agenda has guaranteed it a strong and sympathetic audience, hut what is good for a cause is not always good for its proponents. There is a very real danger of this most dis-tinctive and committed of theatres being constrained by its own popularity and finding itself proscribed by the limits of radical chic, using familiar forms and structures to repeat familiar slogans.

This joint production by the Mamu Players and Johannes-burg's Market Theatre shows signs of a tentative advance on both fronts. The cultural diversity of the company is underlined by a band which brings saxophone, guitars and flute into line with the familiar

wise, the archetypes of oppresmartyred son, sion sorrowing mother and angry friends – are angmented by an Indian brought up by his father to fear "kaffirs" and a petty crook who narrowly escapes a necklace execution for stealing from the wrong

But while the play's author, John Moalusi Ladwaba, bas the courage to refer to these representatives of internecine strife, he opts out of making them a focus of dramatic conflict. Both are "saved" by Shep-herd, a poet revolutionary played by Ladwaba himself, whose funeral snfolds the

One senses a real inclination to break through to a new area of debate and expression and the first half promises well. A strong sense of comedy is interestingly focussed on the

women, drawing a fine double act from Pretty Nomhie Tokwe, as Shepberd's mother, and Petunia Maboe, as his drunken aunt. The symbolic candle-flanked coffin gives a ritual resonance to the re-living of the dead man's life from schoolboy romance to his murder, aged 22 - in the cor-

tege of a friend's funeral. But from the interval onwards, the development stops and the bumour becomes a repetitive casing for an inevi-table and formulaic trudge towards a bero's death. The story is based on the experi-ence of a multi-racial mining community that was disman-tled brick-by-brick, but there is little sense of place or of narrative conviction. The music, choreography and style of performance are as exuberant and infactious as they ever were, but they need to move on.

Claire Armitstead

on the Roof THEATRE ROYAL GLASGOW hy Berlin, Cultural City of Europe in 1988, this "science downtrodden employee of a

1,000 Airplanes

fiction music-drama" reached an eminent City of Culture on Wednesday for the rest of this week only, as part of Glasgow's Mayfest.

The piece is "realised" by David Henry Hwang, anthor of M. Butterfly; minimalist

on this showing miniscule composer Philip Glass; and designer/projectionist Jerome Sirlin. The latter is the bero of the hour, or rather 90 minutes. He contributes the occasional frisson to this hallucinatory monologue for a young man visited and taken away by beings from another world. It sounds, in all senses, like a pretty bad trip.

The Philip Glass Ensemble, seven musicians in black

shirts and slacks, play on stage. A central ramp leads stage. A central ramp leads to a higher platform. Gauzes and projections give us a sea of faces, clouds, patterns, trees and foliage. The curtains draw back to reveal a series of receding arches, in the best toy theatre scenery tradition, that add a wonderful sense of depth to the photographed stone facades. They also break up the skyscrapers of the New York cityscape and surrealistically fragment and bend the individual objects

The visual side ranges from the soaring perspective of a block photographed from below to the kaleidoscope of shapes or evocation of textures, flinty, mottled or blistered, predominantly black and white, but with restrained use of colour. The piece itself

original sense of words spoken over music. The hero, heroically played by Patrick O'Connell, a copying sbop, is a descendant of those madly fantasising clerks in Russian literature, but made uninteresting by American solemnity. On seeing a beehive, he reminisces, "the pain that followed seemed to relieve me of all my questions." After half-an-hour, he moves ontside time." After what is, to those of us less fortunate, 90 minutes, his extra-terrestrial travels bave taught him to "understand wby any one of ns has the need to walk across the room." Me too.

Mr Glass, who in hard times has worked as a plumber, very competently, I believe, provides a familiar musical accompaniment: repetitive rhythmic phrases (he is not one to say something once when twice or 20 times will do), usnally on keyboards, spasmodically overlaid by spasmodically over the plaintive melodic themes (wind, synthesiser and soprano). The music is not unpleasant, merely shallow and forgettable.

The whole experience recalls mncb performance art, seen on a smaller scale at the ICA in London. The projections are good, though. This sterile and synthetic spectacle originally performed in an aircraft hanger, is appropriately sponsored by the largest Trust House Forte

Martin Hoyle

Caving

is a melodrama - in the

SOHO POLY

With her husband doing time for "stupid fraud," 38-year-old Maggie finds herself sitting on a biological time-bomh. To procreate or not to procreate? That is the question that has driven her into the arms of a kindly hut unexciting school-teacher, where we find her at the start of Ayshe Raif's new play. Her love for the jailed Jack is never in question, but neither is the blinding compul-

Both play and production start promisingly enough, with prison visits imaginatively entwined by director Claire Grove with scenes of domestic disharmony, as Diane Bull's touchingly tearful Maggie dith-ers over making her choice.

The introduction of an older prisoner's wife (the excellent Mona Bruce) sets her dilemma in its social context, and one notes the programme reference to the Prisoners' Wives and

Families Society. Raif has a good ear for dialogue, and her characters are solid and well-rounded, but she does not seem to know what to do with them, other than to engage them in increasingly anguished conversations.

Her play signally lacks any dramatic development. The only bit of plotting that is worked through on stage is Dave's discovery of a home-pregnancy tester, which alerts him to the facts of life. But even this does not turn the play around, since Dave is too nice to put his foot down. It

Diane Bull merely confirms Maggle's prog

ress towards a decision, which is belatedly and clumsily aborted by the revelation that she is infertile. Her present agonies, we discover, are the tip of an iceberg

that goes back to years of try-ing to conceive with Jack (so the chronology of their efforts

does not ring true). Bull and Phillip Joseph work well together as busband and wife helplessly watching themselves being driven apart. Joseph is particularly good as a man on a knife-edge of desperation whose eyes glisten with a wildness that is only momentarily allowed to break

These are the sort of close-up performances that - like the play itself - would quite simply have been better suited to

Claire Armitstead

SALEROOM

Christie's record turn

Christie's turn to step up to the rostrum and sell works of art tie's sold it in London in 1971 for mega prices. Its major for 85,000 guineas (\$215,000). Impressionist and modern picture sale in New York did not prove quite so sensational as Monet's rare still lifes, went that of Sotheby's 24 hours ear. prove quite so sensational as that of Sotheby's 24 bours earlier (when a youthful self portrait by Picasso sold for \$47.8m showing a dancer taking a (£27m), the second bighest bow, was spot on target at price ever paid for an object at \$6.6m (£3.9m). Top price from auction), but over in Geneva it the Searle collection was the achieved an exceptionally high \$6.82m (£4m) paid for a Gau-

Fabergé egg.
In all in New York it offered
Si first class impressionist and surprisingly, helow forecast.
But another Searle set a new tures and sold 86 of them for artist's record - \$5.94m(£3.5m) \$172.7m (£103.4m), a record for paid for a work painted in 1917 \$172.7m (£103.4m), a record for a Christie's sale. Forty seven a Christie's sale. Forty seven by Egon Schiele, the Viennese lots made over \$1m. A feature Successionist artist, shortly of the evening was two oneowner collections, nine works rooftops of a town and doubled acquired by the Hollywood film its estimate. There were two producer, the late Hal B. Wal-more artists records among the lis, of Casablanca fame, and 17 paintings collected by Daniel Searle of the Chicago pharmaceutical firm. They were both a Sotheby's a day earlier) and complete sell out, the Wallis \$1.6m (1955,000) for a work by collection almost doubling its one of his followers Franz estimate at \$39.76m (£23.78m) Marc. Among the other artists and the Searle making \$34.27m (£20.5m).

The top price was the \$14.3m (£8.56m), double its estimate, The Faberge egg was bought paid for one of Monet's 19 on behalf of a private Ameriment, which he painted from a "Pine Egg," its perfect condi-room in St Thomas's Hospital tion ensured that it sold for around 1904. This shows them as a dark mess against well over its estimate as a dark mass against a bril-liant golden sunset, and was

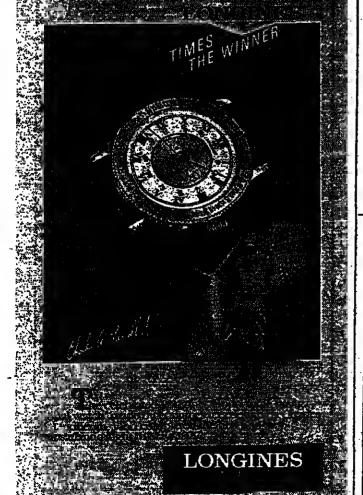
On Wednesday it was quite highly priced when new,

nearer its forecast at \$9.35m (£5.5m) while a Degas pastel, price of \$3.1m (£1.87m) for a guin, "Ferme en Bretagne," which he painted in 1894 after

before he died. It shows the Searle paintings, the \$4.62m (£2.76m) for an abstract Kandinsky (beating a high set hy Marc. Among the other artists to establish records during the evening were Berthe Morisot, Soutine and Vuillard.

The Fabergé egg was bought views of the Houses of Parlia- can collector. Known as the

Antony Thorncroft



ARTS GUIDE

Continued from Page 16 Lichtenstein, Jim Dine, followed by examples of American mini-mal art (Flavin, Judd, Morris), mai art (Flavin, Judo, Morris), to conceptual art and Arta pow-era, with works by Gilbert and George, Paolini, Merz, Pistoletto and Kounellis, ending with some curious examples of German neo-expressionism. Ends Oct

Museo Correr, French impres-sionists from the Mellon collection at the National Gallery of Art in Washington, more than

40 works, among which are delights such as Courbet's seascapes, Seurat's "La grande jatte", and Renoir's "Madame Monet and Son". Ends Sept 4. Palazzo Grassi, Italian Art: 1900-1945. A much-amplified exhibition covering a briefer period than did the recent show at the Royal Academy in London, organised again by German Celant, with the director of Palazzo Grassi, Pontus Hulten. An attempt is made to put the works

attempt is made to put the works into a clear political and social context, emphasising links with contemporary literature, music and cinema. The exhibition ends

RESEARCH AND DEVELOPMENT FACILITY CINCINNATI, OHIO SUBURBS

Exceptional 65,500 sq. ft. building with acreage in Highland Heights, Kentucky
12,200 sq. ft. office space, library, amphitheater, contents, computer room, 8 laboratory rooms; bench, analytical and microbiology

 Dry storage room and enclosed truck loading, ceilings to 20' trategically located at Interchanges I-275



withtwo hlown-up stills from films by Visconti and Rossellini. Ends Nov.

Mole Antonelliana. Carlo Mollino (1905-1973). His bome town pays homage to this eccentric and eclectic architect and designer, much influenced by surrealists such as Cocteau and Man Ray, who waged a constant battle in the 1940s and 1950s against the reducing of modern design to empty conventionalism, on show are drawings, photographs, letters, and scale models of archi-tectural projects, left by the art-ist to the city, as well as furni-ture and objects lent by private collectors, the exhibition transfers to the Besubourg at the end of June. Ends June 11.

New York

Whitney Museum. The 65th in the long series of Annuals and Bienniales features a large group of lesser-known artists among the 80 represented on three floors of galleries. Ends July 9. Metropolitan Museum of Art. Goya and the Spirit of Enlighten-ment explores 160 of the artist's works in relation to his impact on contemporaries and the rationalist modernisation of Spain. Ends July 16.

Washington

National Gallery. More than 160 objects from the Fitzwilliam Museum in Cambridge include peintings by Titian, Guercino, Rubens, Van Dyck and William Blake. In addition illuminated

manuscripts, ceramics and bronzes show off a collection that is considered "perhaps Britain's pre-eminent museum."

May 12-18

Tokyo National Museum. Screen Paintings of the Muromachi Period (1334-1573). The Muromachi

Period corresponds to the Renai sance in Europe and much of its art was produced under the influence of Zen Buddhism and of Chinese ink painting of the Sung and Yuan dynasties. Land-scape, birds and flowers are among the favourite subjects and this exhibition includes works by such masters of the genre as Sessbu and Kano Moto-nobu. Closed Mondays. noon. Crosed Mondays. Riccar Museum. 120 years of Jap-anese Landscape. Ranging from traditional woodblock prints to oils, this small but representative exhibition traces the changing feelings towards landscape in Japan in the modern era. National Museum of Western Art. Masterpieces from the Vati-can. A somewhat random selec-tion of paintings and sculptures, chosen to demonstrate the development of western art from ancient Greece to the Renalssance as well as to present the architecture of the Vatican itself, Closed Mondays. Hara Museum, Kitashinagawa. Hara Annual IX. Recent works

by ten young and upcoming Jap-anese artists; an opportunity to view trends and developments in contemporary Japanese art. The museum was renovated recently in anticipation of its tenth anniversary. Closed Mon-

FINANCIAL TIMES

NUMBER ONE SOUTHWARK BRIDGE, LONDON SE1 9HL Telephone: 01-873 3000 Telex: 922186 Fax: 01-407 5700

Friday May 12 1989

The City in second place

LONDON IS no longer the world's leading banking centre, at least as measured by its share of total international lending. Four years ago, the UK's share of the overall figure was more than twice as large as that of Japan: in 1988, according to the latest Bank of England Bulletin, Japan's share moved up to 21 per cent, just a fraction ahead of the UK. Is this a cause for band-wring-ing - or for congratulation? The pessimistic view is that

the City has had two comparative advantages in its development as a financial centre and that hoth are now under threat. One has been the lib eral approaco of the UK authorities to regulation and tax, which played a crucial role in, for example, the development of the Eurocurrency market. The other has been the relative efficiency of its finan-cial markets, especially when compared with its rivals in

continental Europe. But deregulation is levelling tbe playing field around the world, by leading to greater freedom of capital movement and by breaking down artificial barriers between different financial activities, such as the split between commercial and investment banking in the US and Japan which bas helped to make London such an attractive offsbore centre for banks from these countries. At the same time, other European centres have been updating their organisations and systems at a time when London has been making slow progress in important areas like clearance and settlement.

Prudential controls

Finally, the Bank of England has for some years been more concerned with the need to establish prudential controls in a much more risky financial environment than with making life more comfortable for the Third National Bank of Boot Hill. The cliché about it having a light band on the tiller is well and truly out of date.

Studied in this context, however, the latest figures do not make such gloomy reading. The explanation for the fall in London's market share appears to be just about entirely a result of banks cutting back on their low margin interbank

always likely to lead banks to concentrate more on profitabil-lty than growth. If Londonbased institutions are becomless preoccupied with league table positions and more concerned about making money, so much the better.

japanese banks have found it relatively easy to boost their capital ratios to meet the Basle formula and their market share has been further boosted by the rapid expansion of Tokyo's own "offshore" market in the last three years. How-ever, the City's overall position

Rapid growth

For a start, it continues to have much the biggest share of foreign currency lending to non-residents, which in turn is the higgest component of international lending. In addition, banks from other countries in tbe European Community are actively expanding their husiness there: indeed they represent the most rapidly growing part of the London market in the past two years. The UK's share of international banking husiness. business remains twice as large as that of France and West Germany combined.

London also shows up well as a centre for financial innovation. Banks in the UK played a big part in the rapid expan-sion of Ecu lending through most of last year and the UK Government's introduction of Ecu Treasury bills last autumn should help to create a liquid short-term market in this paper. The City also has a big share in off-halance sheet banking business, which has been growing rapidly in recent years and which does not show up in the official figures.

A declining share of the total available market seems just about inevitable: what matters for the UK is that London consolidates its position as the financial centre for Europe. This will require a more determined effort to make the City's trading systems as competitive as possible, as well as an active role in the development of an open and well regulated struc-ture for Europe's financial markets. It would not hurt, either, if the UK started to play for international convergence development of European mon-

Antipodean blood sports

THE BEST spectator sport "down under" — and the only blood sport - is generally acknowledged to be politics. The season is in full swing in both Australia and New Zealand. Plots have been hatched and beads started rolling this week; government and opposition factions in both countries are now badly split.

There is a serious side to the spectacle. Both Australia and New Zealand have labour governments which bave abandoned socialist dogma and instituted free-market economic reforms. Both experiments are in trouble and, as the electorate knows it, there is a danger thet political expe-diency could over-rule eco-

nomic necessity.

The main political event in Australia has been within the opposition, where both party ders in the coalition were deposed. Mr John Howard, leader of the Liberal Party, was replaced by Mr Andrew Pea-cock – himself overthrown as leader by Mr Howard in 1985.

On the same day this week, the National Party, the Liberals' minority partner, also voted to remove its leader, Mr Ian Sinclair, in favour of Mr Charles Blunt, who is younger, dynamic but largely untested.

Hawke's difficulties

These changes almost certainly rule out an early general election. Mr Boh Hawke, tha Labor Prime Minister, must go to the polls before the middle of next year. With his Govern-ment jaded and the economy in the sort of trouble that cannot be dealt with quickly - rising inflation, interest rates at 17 per cent and a ballooning deficit on the current account -Mr Hawke was anxious to call an election just as soon as he thought he could win. Later this year looked likely, after the wage rises and tax cuts negotiated with the trade unions were safely in voters' pockets. Although the Government's opinion poll ratings have fallen. Mr Hawke's personal popularity has remained huoyant and crucially, both Mr Howard and his Liberal Party consistently failed to

make any impact on the polls. The return of Mr Peacock poses two problems for Mr Hawke, First, Mr Peacock is

regarded by the electorate as charismatic; be looks and sounds good on television. Second, his policies are less stri-dent than Mr Howard's and, as both parties are battling for the same bit of centre ground, Liberal policies may now look remarkably similar to Mr

Bipartisan approach

Mr Peacock has already indicated his intention to adopt a bipartisan approach to the deli-cate subject of immigration and urge a gentler approach than Mr Howard to labour-mar-ket reform and privatisation. So the plan seems to be to dance to the sama tune as Labor, but more elegantly. Mr Hawke and his team will, therefore, bave to delay the election and concentrate on trying to trip the Liberals up, but Mr Peacock is pretty nimble at the political two-step.

Mr Hawke has another diffi-

culty: his parliamentary party is in some turmoil as severa members threaten to quit the centre-left faction which has given the Government stability since It was elected in 1983.

Doubts about Lange

The New Zealanders are not to be out-done. The opposition there appears close to paralysis despite widening rifts in the ruling Labour Party. There are serious doubts over Mr David serious doubts over Mr David Lange's future as Prime Minister as factions supporting both Mr Roger Douglas, the former Finance Minister, and Mr Geoffrey Palmer, the deputy Prime Minister, ponder the collapsing fortunes of both Government and leader in the opinion polls. Again, the economy is at the root of the diffiomy is at the root of the diffi-culties although there are signs that it may have turned the corner out of recession. Failing public confidence has not been assisted by some maladrolt Lange politics at home and abroad.

The major parties in both countries are all temporarily off belonger the dispersion.

off-balance on the direction of economic policy. It would be a pity if political uncertainty endangered the process of eco-nomic liberalisation which has been achieved in both under labour and is still far from complete.

Kevin Done opens a series on the changing role of Japan and its car makers in the global market

Car wars after the yen shock

o the alarm of their competi-tors. Japan's car makers appear to have suffered little more than a minor dent in their fortunes from the appreciation of the yen thet has occurred in the wake of the September 1985 Plaza Accord to depress the value of the

The austerity programme imposed by Japanese vehicle makers — a pro-cess described by some in the indus-try as "squeezing water out of a dry rag" — has enabled the industry to make startling productivity gains, matching anything achieved in North America or West Europe in the second half of the 1980s.

Mr Yutaka Kume, president of Nis san, Japan's second largest vehicle maker, claims thet labour productivity at its Japanese plants has jumped by 45 per cent in the three years since

According to a leading Tokyo financial analyst, exports from Japan are still more profitable than Japanese production from overseas, despite an almost 80 per cent revaluation of the yen against the US dollar in the last three-and-a-half years. (The average yen/US dollar exchange rate was Y239.5/\$1.00 in September 1985 against Y134.4/\$1.00 now.)

While the Japanese industry has moved with breatbtaking speed to adjust to the initial yen shock to its export business, it has also discovered that substantial additional profits can be made in the domestic market.

Nursed along by a solicitous gov-ernment, the Japanese domestic car market is booming. Supported by strongly rising disposable incomes and the increasing importance of leisure in Japanese lifestyles, record new car demand has now been further boosted by a far-reaching reform of the car taxation system implemented at the beginning of April. This has reduced new car prices and in particu-lar has stimulated sales of large cars by removing discriminatory tax rates.

Last year was a milestone as Japa-nese domestic vehicle sales exceeded exports for the first time in eight years. New vehicle registrations (excluding mini-vehicles) jumped by 14.5 per cent to 4.97m units. in the present fiscal year forecasts suggest a further jump of 10-11 per cent in new car registrations.

Despite a 3.2 per cent fall in vehicle exports to 6.1m in 1988, total domestic production still rose by 3.7 per cent to

Japanese car makers are placing a much greater emphasis on the domestic market by investing heavily in revamping their dealer networks and in speeding up the flow of new products to the market. At the same time they are pursuing a determined up-market strategy, which is taking them into new and much more lucrative market segments.

The Japanese market has been hit by the so-called "Cima phenomenon," a reference to the wide-bodied, three litre V6 luxury saloon launched just over a year ago by Nissan, which has enjoyed outstanding success despite a selling price of Y5-6m (£22-27,000) and which has lifted cars produced in Japan into the pricing stratosphere previously occupied only by exclusive

cars imported from Europe.

The structure of Japanese car makers' profits has changed greatly with the switch of market focus. According to one leading Japanese automotive industry analyst, exports generated as much as 73 per cent of Toyota parent company operating income in the 1985 fiscal year with only 20 per cent com-ing from domestic sales. In 1986, as

exports and production Cars and commercial vehicles. Total production registrations Exports Knock-down 1970 72 74 76 78 .80 82 84 .88 88

US car market Japanese share of US car market and Japanese share Million units 85 Total US car sales lapanese transplem Imports from Japan 90 84 . 86 88 90 70 74. 76 72 Note: In all graphs 1989/90 are estimates

export earnings began to plunge under the impact of the rising yea, domestic operating income surpassed that of exports for the first time since the 1960s. In the 1988 fiscal year some 73 per cent of operating income came from the domestic market.

Source: Normura, Japan Automobile Manufacturers Association

Japanese domestic sales,

In the 1989 financial year operating income at Toyota and Honda is still only likely to be at 80-90 per cent of the previous peak level, while operating earnings at Nissan and Mazda are forecast to reach 60-70 per cent of earlier record earnings, but at all the car makers the path to financial recovery is firmly established.

The surge of interest in larger cars and increasing affluence that is so clearly benefiting the domestic car makers is also providing a big boost to the market for imported cars.

Imports are of course starting from a small base, but sales of imported cars in Japan are now rising very rapidly. Backed by the official blessing of the Government, imported car sales rose by 36.7 per cent last year to 133,583 or 3.7 per cent of the market, following a jump of of 43 per cent in 1987 and 36.2 per cent in 1986.

With the elimination of the discriminatory tax rates on large cars and the removal of discriminatory insurance premiums for imported cars, most foreign car makers operating in Japan now claim that all the non-tariff barriers to selling imported cars in the Japanese market have finally been removed. Imports as diverse as BMW's luxury 7-Series and Rover Group's 30-year-old Mini, are enjoying

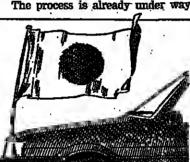
Group's 30-year-old Mini, are enjoying unprecedented popularity.

"The future is looking extremely bright," Mr Luder Paysen, until last month president of BMW Japan, said recently. "Foreign makers by 1995 will probably have a market share of 10 per cent or 400,000 vehicles. This is still not impressive if you look at still not impressive if you look at imported car markets in Western carstantial improvement over the mere 1.2 per cent share we held in 1981."
If the importers' optimism proves

well-founded, it will also undercut one of the grounds most often cited in West Europe for continuing to limit Japanese car imports into Europe. It is the Europeans who are taking the lion's share of the Japanese import market, and if their share rises close to 10 per cent, this will compare favourably with the present Japanese share of the European Community car market of around 9.5 per cent.

While the Japanese car makers achieve success in cutting costs and regaining profitability at home, this will not stop the inexorable increase in Japanese overseas production

capacity, however. Having recovered from the first yen shock Japanese car makers are still anxious to reduce their vulnerability to future exchange rate fluctuations. The huild-up of foreign production capacity will also give Japanese vehicle makers an enviable flexibility in supplying the three leading carbuying regions of the world, North America, West Europe and Japan from the most profitable location. The process is already under way.



JAPAN AND THE **WORLD CAR MARKET**

Toyota is shipping cars from the US to Taiwan, Honda, is already the biggest car exporter from the US to Japan, and Honda is planning to begin car exports from the US to

Europe next year.

At the same time the ever present threat of trade barriers continues to make the establishment of so-called transplant assembly capacity abroad
– chiefly in North America and
increasingly in West Europe – an attractive proposition.

It will hardly be welcome news in Washington, but motor industry analysts in Tokyo are now convinced that the success of Japanese car makers in dealing with the appreciation of the yen, means that there is little pros-pect of cutting the huge US trade defi-cit with Lenou. cit with Japan.

The automotive sector alone accounts for around half the Japanese trade surplus with the US. "The problem is not semi-conductors," says a leading Japanese financial analyst, "it is the auto industry. The break-even point for car exports is now Y105 to the dollar, five years ago it was per-haps Y160-170. Two years from now perhaps it will be Y95."

With improvements in productivity, rationalisation, cost cutting, cheaper raw materials and as the industry changes to producing more and more expensive cars, the break-even point is continuously low-

Inevitably there will be some reduction in the volume of car exports to the US as local production rises. What fall there is in exports is likely to be more than compensated for by the big switch being made by Japanese car makers from quantity to quality as they seek to penetrate the final bas-tions of the world luxury car market. "In volume exports will not fall so much, but in value they will rise sig-

nificantly," says a Tokyo analyst.

The peak of Japanese car export volumes may have passed — total motor vehicle exports have declined in each of the last three years from a peak of 6.73m in 1985 to 6.10m in 1988, while car exports alone have fallen from the peak of 4.57m in 1986 to 4.43m in 1988 – but it is thought unlikely in Tokyo that exports will fall sharply.
Nissan, the number two Japanese

car maker for example, is currently building towards a car production capacity in Europe of 200,000 cars a year by 1992 at its UK assembly plant, but according fo Mr Yoshikazu Kawana, Nissan Motor main board director and head of the Europe Sales Group, "We would like to maintain the present level of exports and add local production on top." In Europe Nissan now has the

stated ambition of creating a local production capacity for 400,000 cars a year by the late 1990s, while Toyota is also a 200,000 cars a year capacity for the mid-1900s. Honda has a production arrangement with Rover Group for 40,000 cars a year by 1990, and the establishment of additional capacity by other Japanese car makers in Europe appears inevitable, most probably through joint ventures.

In the US the process is much more advanced. Japanese venture of the did not the US was already of the corder of im units last year, compronsising approximately \$70,000 cars and 130,000 light trucks (mainly pickups).

See American, European and Japanese makers fighting it out like never before," says Nomura.

Further articles will appear next give a production output of around

1.8m units assuming an 80-90 per cent week on the management page.

capacity utilisation rate. Tha US market is the main battleground for Japanese makers' overseas operations, and their share of the US market - based on both direct imports and local production in the US is expected by Tokyo analysts to rise from some 27 per cent last year to 32-33 per cent during the first half of the 1990s. A share of more than one third is considered to be politically

According to a recent report from Nomura, the leading Japanese securi-ties house, the transplants are strategically invaluable for the Japanese industry. "US assembly plants are now key outposts from which Japanese makers are battling the Big Three, General Motors, Ford and Chrysler. They will be instrumental as makers launch their attack on the high-end segment. Exports to the US remain high, hnt are still a precarious means of penetrating the overseas

Although the Japanese car makers have taken a significant slice of the compact and subcompact car market in the US, the yields on small cars have been steadily diminishing. As a result the strategy has changed and increasingly the Japanese producers are now moving up market.

The most remarkable manifestation

of this switch will come in the late of this switch will come in the late autumn when Toyota and Nissan begin sales of their all-new Lexus and Infinifi luxury car lines in the US.

Nomura argues that the Japanese car makers' sights are now set on "the medium to high-end segment where the big money is. Also they are

less concerned with quantity and more concerned with quality.

"Up until now their penetration at the low end of the market has amounted to a mere skirmish with the local competition. But as they encroach on the prime earnings generating segment of the Big Three, the situation will approach a full-scale car

At the very top luxury end of the US car market, it is the European prestige car producers such as BMW,

Mouldy cheese

■ It is not fashionable in the decade of Thatcher and Reagan to claim that government can be good for you. But it surely is curious that the better-run countries - Japan, for exam-ple, or France after lunch are conspicuous for possessing quality civil services. Most of

us are not so lucky.

Italy, of course, has survived and well, in spite of its system. However, in a worrying devel-opment, officials, not content with having sunk their collective teeth into most aspects of life and business, have now started chewing over Italian cheese. The production of both parmesan and mozzarella may

"Parmigiano Reggiano," to give it the correct title, is pro-duced mostly in the fertile val-ley that lies 100kms south of Milan and encompasses the competing cheese (and pro-sciutto) towns of Parma and Reggio Emilia. The residents of these two towns both compete and despise each other. The Parmigiani maintain that real cheese comes from Parma and call the Reggiani "square heads" (apparently because they do not have a local university) while the latter, suffering from an inferiority complex and with a less well developed vocabulary, consider the Par-

migiani snobs.

This healthy rivalry could have continued happily for-ever, until the bureaucracy, pursuing the inevitable cause of bomogeneity, intervened. The new parmesan guidelines, drafted by a zoology professor wondrously called Dr Mordenti (in English, Dr Biting), lays down strict rules on the kind of feedstocks that may be fed to cows whose milk is processed into parmesan — and this is the crunch — regardless of whather the animals be from Parma or Reggio Emilia.

But it is the mozzarella

its worst - that really curdles

the mind. It confirms that the

edict – Latin listeria at

Observer

soft white cheese may be sold in plastic bags that are filled with holes and seems to quash the concerns of some che loving magistrates who have been investigating whether mozzarella should be sold in hermetically sealed bags

Worse still is the ultimate in bureancratese by which the order is justified. Italian is a lovely language but it is hard to see how even it could have rendered gracefully "the prob-lems posed by any possible contamination of mozzarella must be resolved by adequate commercial controls and the relative modalities of selling the cheese on the part of the competent organs."

And do not think it is only cheese at stake. Yesterday in Modena they ordered the slaughtering of 30,000 pigs because of a swine fever outbreak. Better stock np on salami now.

Big sushi

In the US, there has long been a well-oiled revolving door between the public and private sectors. Diplomatic correspondents from the New York Times frequently whizz round It but few have seen the creative opportunities so clearly as Charles Z Wick, who used to head the US Information Agency. Having set up a mini-international TV net-work (Worldnet) to pass on the word of government, he is now vigorously marketing those who used to run the show at a loss to those with budgetary surpluses.
The beneficiary of all this

is Ronald Reagan, no less. The Japanese Fujisankei corporation, the information services group, has hired the former president to act as a master of ceremonies for 10 days of festivities in Tokyo aimed at Improving US-Japanese rela-tions. The fee is reported to be about \$2m.



Mr Reagan, who can com-mand up to \$50,000 a hour for speeches at home, has been earning freely since his retire-ment in January. Mr Wick, now, as before, Mr Reagan's agent, describes the Japanese contract as "an attractive visit and an attractive honorarium" It certainly makes his presiden-tial pension of \$86,200 a year seem peanuts, which does not, of course, account for the presence of Jimmy Carter, who used to grow them, in Panama since it is at present neither attractive nor the sort of place where honoraria can decently be earned.

Chocolate fudge ■ On the other hand, in no country do doors revolve so slowly as in Switzerland. Thus it comes as something of a surprise to discover that Andrew Large, well-known in banking circles as one of the few for-eigners ever to get on the board of a Swiss bank, is planning to leave when his current contract with the Swiss Banking Corporation runs out next

The question is, inevitably, whether he was pushed out, thus proving that foreigners can never win full acceptance in the closed and clubbish world of Swiss banking. Large was adamant yesterday that that was not the case. "I have been taken into all the things that are going on there." As an executive board mem-ber, he has been in charge of

SBC's capital markets and brokerage businesses. This has been tough going, particularly in London where SBC lost sizeable sums of money in the last two years, though as Large points out SBC is not unique in that respect.

Before being appointed to SBC'a board last year, Large was in charge of its London capital capital markets operation. He was also for a while chairman of the Securities Association. He has not yet quite decided what he will do when he leaves, but he will probably set up a financial institution with some friends. "But I won't be going to a com-petitor of SBC," he says. He might give Charles Z Wick a

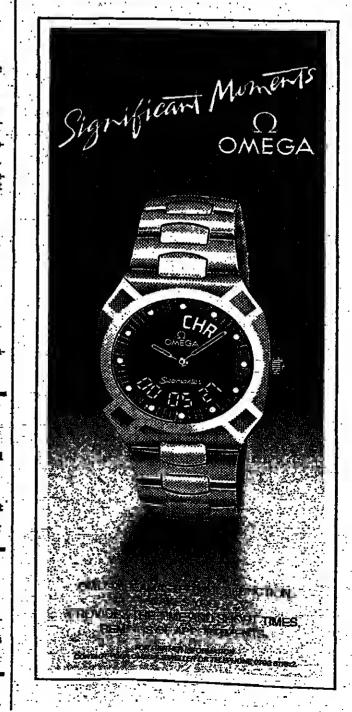
Fishy tale

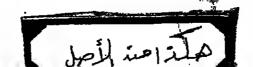
A reader recalls that two years ago Mrs Thatcher did taka her cabinet out for a meal at Wilton's, the well known fish empornum. He goes on; "I believe the story is still remembered today not so much for the vegetable/cabinet side of it. but for Mrs Thatcher's wisdom of ordering steak in Wilton's of all places.

Fortune cookie ■ Mao was once asked if he

thought it would have made any difference if Khruschev, not Kennedy, had been assass nated. "I do not think," he gasped, "that Aristotle Onassis would have married Mrs Khruschev."

Jurek Martin





his has been a big week for Britain's Labour Party. Its excitement is understandable, but it would as well to avoid the delusion that, even today, it is poised to win the next general elec-tion. Succembing to self-delusion will-ensure that it loses; if it keeps a cold grip on reality it just may come to stand a slim chance of achieving what would be the political miracle of the

car marke

century.

The story begins with the cause of all the excitement. It is without qualification momentous stuff. The party's National Executive has approved a set of policy proposals that could bring Labour into line with the great social democratic parties of the rest of Western Europe.
1 say "could" because this is the

Labour Party we are talking about.

Accidents will probably happen. The
new policies will be voted on by the new policies will be voted on by the annual conference in October, which gives the Left nearly six months in which to campaign hard against some of them. Meanwhile there will be a great deal of criticism of the details, not least by the Tories. Labour should not underestimate the skill of the Conservatives, whose principal purpose will be to devalue the efforts of Mr Neil Kinnock, the party leader. Yet the present expectation is that Mr Kinnock's social democratic programme will get through the party

Mr Kinnock's social democratic programme will get through the party conference. It may do even better than that it may get through to the accompaniment of a number of head-line-grabbing rows with Mr Ron Todd, general secretary of the Transport and General Workers Union, Mr Ken Livingstone, the all-occasions MP of the outrageous Left, and other prominent vote-repelling members of the

nent vote-repelling members of the Labour "movement." Every such row will, from Mr Kin-nock's point of view, constitute a blessing – provided, of course, that be emerges victorious. His stature always increases on such occasions. The more often the silly, or hard, or socialist or even soft Left is shown to be vanquished, the greater the chance that the opinion polls will begin to indicate a Labour lead over the Conservatives. That would enhance Mr Kinneck's reputation, which admit-tedly needs a lot of enhancement.

Thus bolstered, the Labour leader would be well placed to write virtu-ally his own manifesto for the 1991 or 1992 general election. He would have to be be careful. Where, as on defence, there is currently fudge, fudge may remain - or, worse, the necessary clarifications may be in the wrong direction. Yet the opportunity is

The "new Labour" manifesto could be as social democratic and even cen-trist as Mr Kinnock chooses to make it, with pencil in one hand and poll data in the other. For the voluminous documents that make up this week's policy review do not constitute an election platform. Clause 5 of the party's constitution obliges the Shadow Cabinet and the National Executive, sitting jointly, to produce the prospectus that will be put before





Why Labour is so excited By Joe Rogaly

centre of the process once more, but this need not make much immediate difference if Mr Kinnock retains his hold over the "Clause 5 committee's"

The upshot is that the policy review documents, if approved in October, will amount to a large hran-tuh of electioneering ideas. Provided that Mr Kinnock can show that he has dipped into this tub in order to produce his manifesto, he should be able to hold the party together, more or less, behind a non-socialist programme. It could turn out to be a manifesto that could win the approval of the Social and Liberal Democrats, the Social Democratic Party (Owen faction) and, secretly, even many on the Tory left.
Then his only remaining problem would be to convince the voters that the newly-reformed Labour Party eant what it was currently saying.

This may turn out to be difficult. Whenever a party reforms its policies it lays itself open to the charge of inconsistency. Yet the Conservative Party has stood for just about every-thing you can think of during this century, and gotten away with it. Anyhow, on this particular occasion the charge of trimming is unfair, if applied to the policy review as a whole. The Kimnockites can reasonly argue that they are simply responding the voters. It is a pity that the argue that they are simply responding National Executive is involved, since to the wishes of the electorate, just as it brings trade union leaders into the the Tories did when they accepted the

Welfare State following Labour's deci-

sive victory in 1945.

For three elections in a row tha voters have indicated that they do not want the state to own leading indus-tries. Now Labour is talking of buying back control over British Telecom and the future water companies, but little more than that. Its interventionism will thereafter take the form of the regulation of public ntilities, the establishment of state organisations like a "British investment Bank," and a beefed-up Department of Trade and industry. These plans may be unwise but they hardly constitute 1970's style

socialism.

Defence is another matter. Here the objection is not so much that Labour is selling out its principles as thet the party is talking to itself. As Mr Todd and Ms Joan Ruddock, the former chair of the Campaign for Nuclear Disarmament, have both pointed out, there is more leads in a ctraight with there is more logic in a straight uni-lateral approach than in the tortured policy review statement that retains the Trident missile system (or three of the proposed four of them) but says there shall be no first use of nuclear weapons. Yet the statement on defence has little to do with defence. It is, as Ms Ruddock has pointed out, a document produced in order to make the party electorally more

In this it may be more successful than it deserves to be. For it is just

possible that the blandishments of Mr Gorbachev will make British voters less anxious for their Government to be in control of an independent nuclear arsenal. The Russian leader has moved West Germans of all par-ties several notches in a pacifist direc-tion, as has become clear to me in visits to Bonn and Berlin over the past few weeks. By some accounts the posts are showing a movement against polls are showing a movement against high defence expenditure in the US, also as a result of Gorbymania. Mr Kinnock has removed the fatal label "unilateralist" from around the par-ty's neck, which, in personal and organisational terms, is a major achievement. He must aim to improve on that when bran-tub time comes, at the least by letting it be known thet he would press the nuclear button in certain circumstances, and at best hy forgetting about that no first use non-

Industrial relations policy is more awkward. Most of tha trade unions are resigned to a continuation of the essence of the laws passed during the past ten years, although they want a little rolling back of some of them. The policy document goes along with that, but the interpretation placed on it by Mr Michael Meacher, the chairman of the relevant working party, returns more power to the unions than they themselves have thought it politic to seek. This has infuriated the Kinnockites, who regard Mr Meacher

as an unguided missile who is arousing what they see as unjustified fears that there would be no final redress against unions that persisted with illegal strikes. I have no doubt that the Labour leader will ignore Mr Meacher's pronouncements when he draws up a manifesto.

For the rest, the tub is full of inter-esting, un-Thatcherite propositions. The top rate of tax on income would be 59 per cent. (Would there be an investment income eurcharge on top?). The House of Lords would be replaced by an elected senate. There would be regional assemblies for Scot-land, England and Wales. A national broad-band fibre optic communica-tions network is proposed. Private schools would lose their charitable status. State pensions would once again be linked to the higher of the prices and earnings indices: Bodies to serve the interests of the consumer. the environment, and women would be set up. Nuclear power would be phased ont. And so on.

If as a result of the policy review Labour comes to be regarded as a serious contender for power some of these and other similar proposals will presumably be debated on their merits over the next two years.

It will all come to nothing, unless Labour can persuade people that it really is a modernised party. The hard reality is that in the cauth cost where

reality is thet in the south-east, where most of the constituencies that have to be won are to be found, persuasion will be difficult. It is in the south-east in particular that a 59 per cent top rate of tax will seem off-putting. If the south-east was on the European mainland, Christian Democrats would pre-vail and Social Democrats would struggle. The suspicion that Labour is merely a tool of the trade union leaders is at its strongest here.

Mr Kinnock is aware of all this. He is also anxious to reduce the power of trade unions within the party constitution - hnt not at the cost of an immediate, violent, row and certainly not at the cost of losing union financial support. He should take courage. Thanks in part to his own hehind-the-scenes efforts, the half-dozen most scenes efforts, the half-dozen most important union hosses would all favour some reduction of their hloc vote at the party conference; he should be bold and propose, this very October, that it be abolished. That would do more to restore Labour's credibility than any other single act the party's leader might undertake. He also needs a focus. The public probably knows by now that Labour

probably knows by now that Labour has, sort-of, abandoned unilateralism. But what is it for? It could be a whole-hearted Europeanism; it could whole-hearted Europeanism; it could be a more convincing save-the-world approach than the Prime Minister's; it could seek country votes in Conserva-tive shires by attacking Mr Nicholas Ridley's lax attitude to planning con-trols; it could stress a determination to reduce public squalor. In short, it could become the party of a kinder, gentler approach to using the fruits of the market economy. The Tories are so entrenched that it would be cruelly misleading to say that that would bring about a Labour victory. But it would do a whole lot better than any other selection from the bran tub.

The right way to join the EMS

By Giles Keating

THE CONFLICT between domestic monetary indicators and the exchange rate has caused confusion in UK policymaking throughout the 1980s and lies at the heart of the economic debate over the merits of joining the exchange rate mechanism of the European Monetary System. Yet euch conflict has generally been illusory. For example the current fragility of the exchange rate appears to contradict the slowing of M0 growth to within its target band, but M0 has returned to its band only because the target was not adjusted down to offset last year's overshoot. Allowing for this, both Mo and the exchange rate suggest that monetary pol-

icy is barely tight enough.

There was a similar apparent contradiction between early 1987 and late 1988, when the exchange rate rose steeply while monetary growth accel-erated. Given the overheating in 1988, hindsight suggests that the monetary indicators were right and the exchange rate misleading. However, this is to concentrate on changes in the exchange rate and to ignore its level. Mr Nigel Lawson may have believed at the time that a sterling rate of just helow DM 3 (90 on the effective rate index) was appropriate, hut objective evidence points to a nigher rate.

OECD estimates of purchasing power parity exchange rates in 1980, adjusted to include only traded goods and npdated for changes in the prices of those goods, suggest a rate of around DM 3.25 (95 on the effective index). Moreover, UK profitability was at an unsustainably low level in 1980 and has since risen faster than elsewhere, giving UK produc-ers the opportunity to improve non-price competitiveness and justifying a higher level for sterling. This is supported by anecdotal evidence, such as comments this April from Bosch that unit labour costs at its new Welsh plant would be some 15 per cent to 20 per cent below those in Germany.

Mistaken views about the level of the exchange rate or money supply can lead to apparent contradictions tween these two indicators. in the absence of such mistakes, the exchange rate and domestic monetary aggregates will generally tell the same story, except when there is a shock to domestic money demand (as occurred following deregulation of credit at the start of the 1980s) or a shock that impacts the UK differently from other countries (for example the oil price collapse in 1985-86, which necessitated a fall in the UK real exchange rate, though not to the extent Mr Lawson thought). Such shocks are less likely to cause confusion in the 1990s than in the 1980s. The process of financial deregulation has now largely run its course and oil is far less important to the UK.

Economic arguments against joining the EMS are now few, hut only if the correct level is chosen. The choice of level is particularly important given one of the key arguments against membership, advanced by Sir Alan Walters. He argues ny Sir Alan Waiters. He argues that hy increasing the attractiveness of sterling to foreign investors, membership would put the UK currency under upward pressure. He is concerned that this would rapidly hring sterling against its upper limit within the EMS. limit within the EMS, forcing the UK to cut interest rates more than was justified by domestic conditions and thus ultimately worsening UK infla-

This is a real danger if sterling enters at too low a rate, hut the problem can he reduced or eliminated by setting a central rate for sterling as far above the current market rate as possible. For exam-ple, at the time of writing, the sterling-D-Mark spot rate is around 3.18. If the central EMS parity was set 2.25 per cent higher, at 3.25, sterling could appreciate to above 3.30 before it became necessary to cut interest rates to keep the UK currency within its EMS band.

If a cut were necessary, it should be possible to keep it small because one-year sterling rates are currently only some 5.5 per cent above comparable D-Mark rates, and the standard EMS band width is 4.5 per cent. The expansionary monetary effect would be balanced by the exchange rate appreciation that would have occurred. Nor would such a currency appreciation be adverse. It would still leave sterling slightly undervalued on the cost comparisons advanced above and would exert further downward pressure on inflation.

The author is chief economist of Credit Suisse First Boston.

Section of the section of the ETTERS

Down at the Docks

From The Director, The National Association of Port Employees.

Sir, Bill Morris of the Transport & General Workers Union (Letters, May 8) asks port employers to negotiate with his union nationally on a range of the scheme and are now trying to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish tions for less favourable than the scheme and are now trying to establish a veneer of respectability to their claim for extensive national employment conditions for less favourable than the scheme and are now trying to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish the scheme and are now trying to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish the scheme and are now trying to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish and the scheme and are now trying to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish and the scheme and are now trying to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish and the scheme and are now trying to extensive national bargaining machinary to establish and the scheme and are now trying to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish and the scheme and are now trying to establish a veneer of respectability to their claim for extensive national bargaining machinary to establish and the scheme and are now trying to extensity to the scheme and the scheme and the scheme and the scheme and his union nationally on a range of issues that can only be seen as the reintroduction of a substitute Dock Labour Scheme. Port employers have consistently said that they want to talk to their employees and union officials at local level to deal with matters concerning their future terms and conditions of employment and to reassure them about continuity of pensions and other mat-

ters after repeal of the scheme.
One of the worst features of the Dock Labour Schema was the devisive way in which a statutory demarcation line separated a group of workers from their employer and encouraged loyalty to an outdated job pro-tection system. Now that the schema is about to be repealed, one of the great challenges for the management in scheme ports will be to carry out the integration and assimilation of the registered dock worker into

cess of their business will depend upon the motivation and goodwill of their employ-ees. It is in the direct interest of port husinesses that the demarcation lines and attitudes of the past perpetuated by the Dock Labour Scheme are removed. The TGWU abandoned, on legal advice, open confrontation with the Government to strike over repeal of 1-19 New Oxford Street, WC1

A CARLON AND A CAR

From Mr Fizzroy Pountah.
Sir, Your leader, "The West's role in Kampuchea" (April 19), emphasises the importance of international investment and the Sino-Soviet summit. You ened with blind prescriptions in the name of the interna-

tional community.

tions for British dockers which are no less favourable than those provided by the Dock Labour Scheme, to quote Ron Todd. In presentation of their claim fley are, I believe, deceiving the registered dock worker by trying to persuadahim that his best interests are served by mainfaining loyalty to an outdated national system of control which is wholly inappropriate to the needs of a modern port transport com-pany and the prosperity of all employees who work for the dockers own company. As every day passes towards the repeal of the Dock Labour

Scheme, so the real needs of the dock worker for local discussions with his employer grow greater. It is disgraceful that the TGWU's National Docks Secretary, John Connolly, is advising dockers that "any attempts, therefore, by port employers to initiate discussions." integration and assimilation of the registered dock worker into the arrangements that apply to the much larger group of employees of that particular company or employer.

The vast majority of port employers know that the success of their business will depend upon the motivation and made of their employers.

The vast majority of port employers to initiate discussions or negotiations in ports at local level, on issues or developments arising from the Government's decision to abolish the Dock Labour Scheme, must be rejected.*

This whole approach by the TGWU seems aimed at maintained national union necessaries or negotiations in ports at local level, on issues or developments arising from the Government's decision to abolish the Dock Labour Scheme, must be rejected.*

This whole approach by the TGWU seems aimed at maintain national union nation nation

at the expense of the local dock worker and his employer's best interests. The port employers will not recreate the Dock Labour Scheme by another

South-east Asia's regional revival should start from within

and budget deficit and in Mr are misguided. To start with, mon European home should the region suffered under past colonial ambitions, followed by more suffering inflicted by US. Soviet rivalry. Now it is threat.

The assured withdrawal of Visitance of the colonial ambitions of the colonial ambitions of the colonial ambitions.

Gorbachev's foreign policy shift with emphasis on costsaving, a by-product of his economic diagnosis. Again, Mr Gorbachev's concept of a com-mon European home should make Vietnam less relevant

Viatnamese forces from Kampuchea by September makes the US-China-Khmer repeated in Kampuchea. Unnecessary rivalry and competition have caught up with the US and the Soviet Union, evident in the US trade

Rouge alliance meaningless. China has inflicted much suffering and destruction on Tibet and, via the Khmer Rouge,

The revaluation of the D-Mark

From Mr Leonard Ross. Sir, Your editorial ("The daz-zling dollar", May 10) makes no mention of one crucial explanatory factor: the lack of a currency realignment in the EMS since January 1987. The obverse of dollar strength is, of course, weakness of the Yen and the D-Mark. In the case of the Yen, the interest differential in favour of the dollar is

perhaps an adequate explana-tion. It is apparently not so with the D-Mark, where, as you point out, the interest gap has narrowed quite sharply. But, how else do you explain the hoge capital outflows from Germany which are the cause of tha D-Mark's weakness? The Bundesbank identifies net long-term capital exports in 1988 of DM 84bn, half of which went into foreign currency

honds. There was another DM 36bn of short-term outflows. These seem to have continued on much the same scale in 1989. The Bundesbank used to blame the interest withholding tax. Now that it is to be abolished; the Bank is at a loss to explain why the outflows have not been reversed, even after last month's rise in its

own money rates. What the Bundesbank seems unable or unwilling to face up to is the role of the EMS in the D.Mark's decline. You continually applaud the "success" of the EMS exchange rate mechanism in maintaining stable currency values for nearly two and a half years. Yet, far from creating wider financial stability, the fixity of exchange rates is responsible for deferring adjustment of the growing imbalances in Europe. Germany's increasing trade surplus with her EMS partners shows natently the underwalnshows patently the undervalu-

Hun Sen is well placed to

be damagingly large to have an impact. If abandoning the EMS exchange rate mechanism is (regrettably) ruled out, the most effective way of reversing capital flows would be for the Bundesbank to novalue the D-Mark in the EMS and then to hold it near the floor of its

but, on its own, it will have to

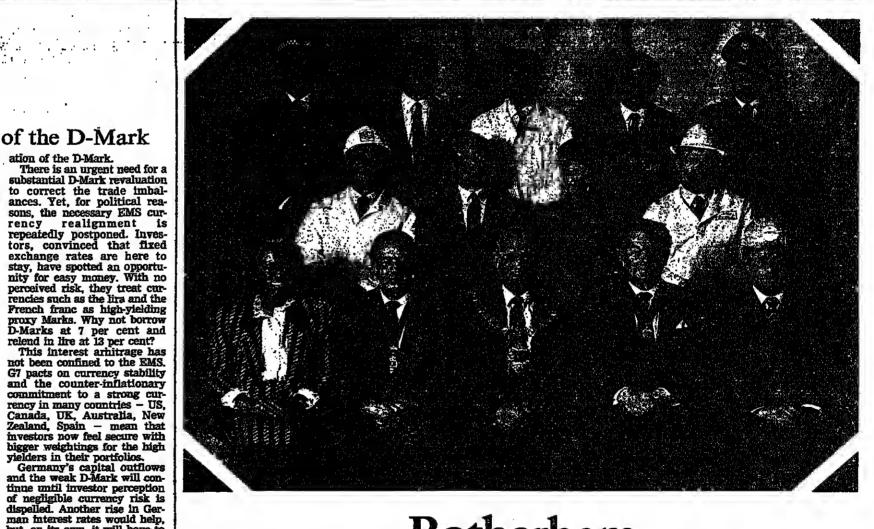
intervention band, giving scope for further appreciation to burn the fingers of the EMS interest roundtrippers. In sbort, the Bundesbank must sbow that the D-Mark can go up as well as down. 107 Fleet Street, ECA.

much of the same in Kampu-

start the process of nationchea. The Chinese need to realise that their behaviour is building, having accepted the Buddha's teaching as central to the Kampuchean identity. unacceptable; tha Khmer Rouge must be made to dis-Accepting the Buddha'e teachsolve itself. The US-China-Pa-kistan attempt to manage the outcome of the political settleing as central to Vietnam's recovery will aid reconstruction. Prince Sihanouk is well ment in Afghanistan led to furplaced to provide princely leadther destruction of the region

- this model should not be The UN e ambition to manage a political settlement was misplaced. The UN should be supportive, and not attempt to adventures. Fitzroy Ponniah, manage Cambodian politics.

ership.
The EC bas little to do . . . non-interference hy the US will help make savings on unnecessary foreign policy



Rotherham. There's Nowhere More United.

The decision to move a company is never an easy one to make. It's almost as hard as deciding where to move to.

Of course you could simply do what over 300 other companies have already done. They moved to Rotherham, making it one of the most successful Development Areas in the country. And since an Enterprise Zone was added in 1983, we've developed almost 200 additional acres.

In that time we've created nearly 3,400 new jobs and housed them in 3 million sq. ft. of new buildings. But happily that still leaves plenty of attractive opportunities for a whole variety of new businesses, including offices and hotels.

Clearly, Rotherham has what it takes in the way of grants, communications and infrastructure. But what gives Rotherham its edge is its people. There's a team spirit, a willingness to get

things done that, well . . . gets things done. We can show you major construction work

in Rotherham which has taken virtually half the time that would be required elsewhere. So if you're considering moving offices, or

even building offices, give us a call. Ring Keith Kettell on (0709) 372099 and ask

for the Rotherham Fact File. You'll find the people of Rotherham don't just work. They work together.

Rotherham



FINANCIAL TIMES

Friday May 12 1989

Dale Bectric of Great Britain Limited Electricity Buildings, Filey Yorkshire YO14 9PJ Telex 52163 Fax 0723 \$15723

FSX opponents fail in bid to halt project

US savours electronics showdown

Louise Kehoe on industry pressure to prise open Japan's markets

By Nancy Dunne in Washington

THE US Senate Foreign Relations Committee yesterday narrowly defeated an attempt to stop a controversial \$7bn deal with Japan to co-develop and co-produce the FSX fighter

The committee voted hy nine votes to eight to defeat a fero-cious attack on the project. under which Japan would build a new aircraft using technology from the US F-16

The agreement, originally approved by the Reagan Administration but renegotiated under President Bush. would give the US 40 per cent of the development work and ahout 40 per cent of the pro-

groups are savouring the prospect of a show-

down hetween the US and

Japan over high technology

Hardened by frustration over

continuing trade barriers and disappointed by the slow prog-ress achieved under trade

agreements with Japan, indus-

try executives are demanding tough action from the US Gov-

ernment to pry open Japanese

markets for a growing range of

electronic products.

Japan will become the num-

ber one target of the Adminis-

tration's "Super 301" hit list of "unfair traders" to be pub-lished at the end of the month,

industry executives helieve.

On the key issue of semicon-ductors, the "building blocks"

of the electronics industry, the

battle could begin even sooner with talks scheduled to start in Tokyo this week to review progress under the 1986 US

Japanese semiconductor trade

agreement which promised

greater market access for for-

to use the talks to persuade the US not to include semiconduc-

tor trade as a "priority prac-tice" to be addressed under the

US industry representatives say, however, that their trade dispute should not only he included, hut also given top

\$18bn Japanese semiconductor

market stands at 10.6 per cent,

up from about 8 per cent in

1986 when the trade agreement

sales in Japan have increased

by more than 70 per cent in the

While US semiconductor

"foreign" share of the

terms of the Super 301.

Japanese officials are hoping

eign chip producers.

reverses a committee vote, will now vote on the project. To stop the deal, both houses would have to pass a joint reso-lution of disapproval hy May 31. If President Bush vetoed this, they would have to over-ride him by a two-thirds major-

ity vote. Senate Democrats may still attempt to impose additional conditions oo the project. Senator Robert Byrd, tha former majority leader, has proposed stringent monitoring requirements and demanded that US companies supply 40 per cent

of all spare parts.

The new conditions follow a report hy Congress' General Accounting Office that the technology Japan is to provide to the US, a prime selling point

US market share

Dynamic Random Access

Integrated Circuits (chips)

Silicon Waters

Semiconductors

Memory (chips)

equipment

Application Specific

Microprocessors (chips)

Semiconductor production /

Memory Test Equipment

Laptop Computer

past three years, the US portion of the fast-growing Japa-

nese market is currently

shrinking, according to US

industry analysts.
In new trade figures, expec-

ted to be released soon, the for-

eign share of the Japanese

semiconductor market will

show a significant decline for

the first quarter of 1989, they

of the project, is already well

known to the US aircraft industry.

The Bush Administration, originally divided over the merits of the FSX, presented a united front in Senate hearings in support of it. in support of it.
Mr Rohert Mosbacher, the
Commerce Secretary, who had

Commerce Secretary, who had insisted on tougher conditions that were renegotiated into the agreement, assured Congress that it would not harm the country's "economic security interests."

With anti-Japanase sentiment running strong, Congressional Democrats and Republicans have united hehind charges that, despite the safe-

charges that, despite the safe-guards negotiated hy the Administration, the project is a

1987

1984

"technology giveaway."
At a hearing on Wednesday, Senator Josaph Biden Jr. a Delaware Democrat, said Japan had refused to he a "good ally" hy rejecting an off-the-shelf purchase of US F-16 planes which would help to alleviate the mounting IIS

alleviate the mounting US trade deficit with Japan.
Senator Jesse Helms, a North Carolina Republican, was more vocal and said of the Japanese: "They skinned us many a time. They skinned us real bad in December 1941, and they are skinning us with the

The Bush Administration had important support from the Committee chairman. Senator Claiborne Pell, a Rhode Island Democrat.

market, the US industry repre-sentatives point out. US sales revenues of companies such as

Sony, Sanyo and Matsushita are very high.

The US Government's dissatisfaction with the compliance

of the consumer electronics

manufacturers is signalled by the inclusion of televisions,

tape recorders, stereo speakers,

citizen's band radios and video

cassette recorders in a list of products that may become subject to punitive 100 per cent import tariffs in connection with a separate trade dispute over cellular telephones. The product list also includes the

product list also includes Japa-

nese supercomputers. Next week the American

Electronics Association (AEA),

a trade group representing more than 3,500 US companies, will launch a hlitz of publicity to be followed by lohhying

efforts in Washington under the banner "America's future at stake".

Electronics is the nation's

largest manufacturing industry and as the 'toolbuilder' for the rest of the economy is of criti-cal importance for the future of

our economic and military

security," says Mr Richard Iverson, president of the AEA. The failure, to date, of US

efforts to hreak down barriers to trade with Japan are evi-dent, industry officials claim.

The US electronics trade deficit

with Japan stands at \$20.5bn, a

tends, Americans have viewed

trade in terms of black and white - free trade versus pro-

tectionism. "What we need is a

strategic approach to trade pol-

icy that supports the interests of US industry," Mr Iverson

over to the US until after the

full judgment. There may be a

further delay after that if BCCI

told by Mr Andrew Collins, QC,

The High Court had been

decides to appeal.

For too long, the ABA con-

record high.

Italian job **Parliament**

By John Wyles in Rome

cal parties.

Mr Steel announced yesterday that he would fight an Italian seat, the first time a leading politician from one EC country has fought in another.

In 1934 only the Liberals and Republicans ran in tandem under Italy's system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and their tandem to the system of proportional pages and the system of pages and the sy

to Strasbourg.

Although the legal position is a little cloudy, it would appear that under Italian law Mr Steel would also have the luxury of choosing not to take his European seat because he is already a member of the British legislature.

British legislature. Italian law allows members

cans jointly took 6.1 per cent of the vote in 1984, exactly the same as they had polled sepa-

die, author of the Satanic

of complete federalism and which are bred of an emotional rejection of national bound-

UK Liberal

of its national parliament who win a seat in Europe to step down from one or the other assembly in favour of the next member down the party's elec-toral list. This enables the par-ties to deploy their hig guns in the European elections even though many of them have no intention of going to Stra-

almost certainly include Mr Bettino Craxi, the Socialist Party leader, who heads his party's list in both the north-west and central constituencies, Mr Arnaldo Forlani, tha Christian Democrat party secretary, and Mr Guilio Andreotti, the Christian Demo-crat foreign minister who was also elected an MEP in 1984 but

That said, Mr Steel's candidacy has been taken very qui-etly, earning far fewer headlines than the fact that the Communist Party is running France's Mr Maurice Duverger a close adviser of Presiden François Mitterrand who, in a gesture of political ecumenicism, willingly gave his bless-ing to this crossing of party and national lines by his Socialist friend.

But the grouping which Mr Steel intends to represent is a

The Liberals and Republi-

the three are now hoping for a combined strength of about

ick leader of the Radicals, reportedly made the approach to Mr Steel and to his party's leader, Mr Paddy Ashdown some time ago. Both originally turned down tha idea of running in Italy and Mr Pannella then turned to Salman Rush-

Only two weeks ago his party held its congress in drawn from several nations including, most recently, some well-known Soviet dissidents.

looks for an in European

elections are any guide. Mr David Steel, former leader of the British Liberal Party, would appear to have a better than even chance of winning a seat in the Enropean Parlia-ment as a candidate on the joint list presented by Italy's Liberal, Republican and Radical parties.

tional representation, but they did manage to elect one MEP for tha constituency covering Tuscany, Umbria, the Marches and Lazio. But so also did the Radicals, and because Mr Steel rancais, and because Mr Seei is second on the electoral list being put up hy the triad of parties for this constituency, they would only have to repeat 1984's performance to send him

bourg. Candidates in this category

chose to stay at home.

The fact that they allow non-nationals to run for Euroelection is viewed by many Italians as a prond affirmation of the nation's European commitment.

political pygmy in comparison with the Communists.

rately in 1979.

For their part the Radicals won 3.4 per cent in 1984, and

10per cent in next month's con-Mr Marco Pannella, mayer-

He, too, refused but in the past few days Mr Steel changed his mind and accepted the challenge. Mr Pannella is one of Italy's most inventive politi-cians, with ambitions for

For the first time in memory, all three of the oil majors' businesses are prospering together.
higher oil prices are doing
their bit for upstream profits, strong demand for oil products has eliminated much of the excess refining capacity, and the great chemical boom con-

tinues.

The fact that the majors yesterday reported flat or lower current cost figures for the first quarter should not betaken too seriously. Production problems hit both companies, the mild winter cut Shell's gas sales, and most important of all, the sheer speed of the rise in crude prices meant a temporary squeeze on downstream margins. For the rest of the year, however, good profits look reasonably certain. Refining and marketing margins have improved greatly in the last two months, Opec's hold on the market seems good, and even assuming that the chemicals cycle is at last at the top, the way down appears to be

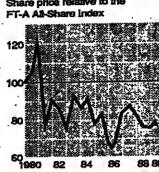
At first sight, the shares have not noticed this happy coincidence of events, and the relative outperformance over the last two months still leaves them lower than a year ago. However, both are yield stocks, and as their dividends have been rising at under 10 per cent compared to almost 20 for the market as a whole, a re-rating has been taking place. Indeed the present 140 per cent of the market yield is about the lowest this decade; and while there is a growing feeling that the oil majors deserve a market yield, as in the mid-1970s, the case seems slender. British industry was then in crisis and the oil price thought to be rising exponentially: the present slowing in corporate profitability and apparently steady oil price scarcely amount to that.

GrandMet

GrandMet chairman Allen Sheppard said he was moved to observe a moment's silence in tribute to yesterday's interim results. Unfortunately for the share price, the market was not similarly inspired. While noting in passing the undisputed strength in profits growth at the half year, investors were minded to concentrate instead on the weakness of a balance sheet which shows the company nearly 200 per cent geared after buying Pills-bury. There were no complaints about the actual profit contribution from Pillsbury -but with only 100 days of the

The majors fire on all cylinders

Share price relative to the FT-A All-Share Index



new regime to judge hy, it would not do to conclude too

mnch from that. For the market at the moment, the salient fact about Pillsbury is not the size of its first profit contribution, but the huge amount of money set aside to sort it out in future. GrandMet may well not need all of the \$750m provision made for that purpose - fully a third of it covers retirement medical benefits for employees, which are notoriously difficult to guess at – bnt its sheer size seems to have spooked the share price, which fell 4 per cent as a result

cent as a result.

That puts the shares on a prospective p/e of something like 10 times earnings, which suggests just about the right degree of scepticism about the grandeur of the GrandMet plan. Mr Sheppard spoke again yesterday about the superiority of the company's long-term vision; but he was obviously cantious about the near term. And investors may well want to see the hard facts in burgers and buns before they become true converts.

Markets

The financial markets are in an understandably nervous mood, and this is unlikely to be helped by the Bank of England's latest economic assessment, or by yesterday's robust response by the dollar to a surprisingly weak set of US retail sales figures for April. Economic growth, particularly in the US, is slowing down so cuickly that down so quickly that a sion cannot be ruled out, while the authorities around the world are still a long way from stemming the rise in inflation, let alone reversing it. As a result, the dollar is going up when it should not, some bond markets are already discount-ing lower interest rates, and equity prices in London and

New York are hoping for a soft economic landing. It may all work out all right but it is a

volatile mix.
The Bank of England's message is reassuring, if gloomy. The tightening of UK monetary policy in the second half of 1988 is beginning to have the desired effect but much better news on inflation and the bal-ance of supply and demand will be needed before monetary policy can be loosened. Meanwhile, earnings growth is uncomfortably high and the corporate sector has moved quite heavily into financial def-icit for the first time since the

early 1980's.

For the moment, 13 per cent
UK base rates seem about right but this could easily change if the pound were to take a nasty tumble or interest rates elsewhere rose. Given that the Bank is forecasting US infla-tion around 5% per cent for the tion around 5% per cent for the next couple of years, the possibility of further monetary tightening cannot be ruled out. However, if the US economy really is as weak as yesterday's April retail sales figures suggest, the inflationary pressures may begin to subside somewhat earlier. It would all sound more encouraging, if only the more encouraging, if only the dollar started to behave as if the US economy was slowing

Gateway

Of the two events, a surprising 15 per cent increase in profits at Gateway and the purchase by some fly-by-night Canadian investors of 2.5 per cent of Asda, the market cor-rectly regards the latter as the more momentous. Gateway may have been hoping to get twice the attention by produc-ing some well rounded figures the day before its defence docu-ment, but as it was not prepared to explain fully such oddities as a second half interest charge of only a third the level of the first half, it did not

deserve any response.

Meanwhile, the arrival on the Asda register of some sea-somed arbs justifies the 25p rise in the shares over the last few weeks. While it would not be the Belzberg style to bid themselves, there is plenty of other action in the Asda shares to judge by the heavy volumes. If a hid arrives there could be a futher 40p or so profit to be made, and if it does not, Asda has enough long term promise even assuming it pays too much for Gateway's superstores - to be only marginally too dear on a two year view.

80% of workers suffer from it. It can reduce productivity by up to one fifth.

In 1987, a Californian man was awarded \$643,000 because of it.

It's called the Sick Building Syndrome.

And in today's issue of The Economist, we look at the causes, the cures and some ways of preventing it that are radical and thoughtprovoking.

At least, we think they are. Some of us have been feeling a little off-colour lately.

The Economist

Noriega's accounts to be passed to US By Raymond Hughea, Law Courts Correspondent, in London

US-Japan

INFORMATION on bank accounts held in London hy General Manuel Noriega, the Panamanian military leader, could be passed on to US drug enforcement agencies following a High Court ruling won hy the British Customs and Excise. General Noriega has been

indicted in the US on drug trafficking offences.

Details of the accounts and other documents were found in a locked cabinet in the London offices of Bank of Credit and Commerce International when it was raided last October by

announced by the Prime Minis-

final plan.

Customs officers investigating drug money laundering.

that investigation, the Noriega documents were regarded by Customs officers as likely to interest their US counterparts. As the documents were not covered by the Customs' search warrant they could not be seized, so the Customs

hand them over.

Although not relevant to

applied for, and was granted, a court order requiring BCCI to

However, in November Judge Valerie Pearlman at

agreed to make the order on condition that the Customs undertook not to pass on the information to US drug enforcement agencies.

She had been told that BCCI feared for their employees in Panama if the Norlega material were handed over to the US.

Yesterday two High Court judges freed the Customs from said had been wrongly imposed. They said they would give their reasons later.

The Customs undertook not

The US Government must retaliate against Japan's fail-

ure to live up to the trade pact,

US industry officials say. If

new sanctions are imposed,

they should target Japanese

companies that have done little

to increase their foreign chip

purchases, they suggest.
Japan's major consumer

electronics companies have a great deal at stake in the US

the undertaking, which they to pass the Noriega material

for the Customs, that it was vital that drug enforcement agencies should he able to exchange information in the international battle against the scourge of drug trafficking. Mr Peter Cresswell, QC, for BCCI, had argued that the case

raised serious issues about banking confidentiality. Panama alert

Continued from Page 1 that Panama's electoral tribunal had "perpetrated the ulti-mate election theft in nullify-ing tha elections. We believe universal condemnstion of events in Panama is war-ranted."

The White House also attempted to allay the fears of some Latin American states that the crisis in Panama may provoke the US to abrogate the treaties under which it will hand over control of the strategic waterway hy the turn of the century. "The United States is committed to democracy, to the maintenance of the

nalled its desire to see a plan produced without delay and the high-level State Depart about political negotiations." Shamir, leader of the rightisraeli officials said that in a "long and detailed" letter to Mr wing Likud bloc, has publicly rejected the idea of formal international supervision, but government officials say a Moshe Arens, Israel's Foreign

Israel tomorrow direct from Mr Baker's talks in Moscow. After meeting Israeli leaders, and possibly Palestinians from the territories, the Americans He and Mr Shamir have been plan to visit Egypt and Jordan. Israeli officials say Mr Bakthrashing out propos-als - based on an outline

compromise involving some outside ohservers can he The issue of East Jarusalem may prove more intractable. Mr Rahin has proposed that East Jerusalem residents be able to vote elsewhere in the

Panama Canal, and to the integrity of the Panama Canal treaties," a statement said. West Bank, but Mr Shamir has so far ruled out the participation of Jerusalem Arabs.

stop dealing in the securities of both firms. Some countries wish to draw a distinction between insider traders with primary access to information - for example an

secondary access, such as a taxi driver who overhears a

securities markets.
UK bankers also object to a proposed requirement that companies immediately inform the public of any "new or important circumstance or important decision" which would have a significant effect on its stock price. This would

mean that a company would have to disclose acquisition plans even before acquiring a small stake in the target or holding discussions.

domestic authorities such as the stock exchange he informed instead. The rule would mean stock exchanges having to safeguard price-sensitive information, a role many may be unwilling to assume.

US increases pressure on Shamir coalition, Mr Shimon Peres, the Finance Minister, and Mr vision, to include Arabs living in East Jerusalem and be linked firmly to the starting of the elections a chance and of working with Israelis and Yltzhak Rahin, the Defence Arabs to see if we can convert negotiations on a final settle-ment with the Palestinians. Mr the election into a broader pro-Minister cess that will ultimately bring The US has now clearly sig-

ment delegation, led hy Mr Dennis Ross, is due to arrive in Minister, last week, Mr Baker laid out the main areas of US concern over the election issue. Mr Arens had replied that the Government had yet to reach a

er's letter to Mr Arens made clear that the US expected elections in the territories to be held under international super-

ing Lahour memhers of the **WORLD WEATHER**



Fierce reaction to insider dealing plans

not been made public - and the obligation to disclose it. London bankers argue that the restrictions would require an investment hank advising a company on an acquisition to ignore its own "Chinese walls" and order its trading arm to

investment banker who abuses information to which he has

direct access - and those with

Insider trading legislation also throws up important issues for Germany, where there is no federal agency with overall responsibility for the The proposals allow an exemption in the case of disclosures which would harm a company's legitimate interests, but add the requirement that

FERRANTI

INTERNATIONAL

FINANCIAL TIMES



INSIDE

Big US ambitions for the small screen

The US electronics industry is pressing for a \$1.35bn government-sponsored programme to capture the lion's share of the anticipated \$40bn market for High Definition Television products. But its scheme received a muted response in Weehington this week, reports Louise Kehoe. Page 22.

A new broom in toy town



Thie week'e deat which hands Hamleys, the London toyshop, to a new owner is more than e eimple acquiation: it matches up the oldest neme in the toy industry with some very modern financial engineering. And the new management, led by en Anglo-American businessman in hie midthirties, is planning e cautious etrategy of International expansion. Page 27

insurer hit by Rothwells factor A worse than expected £15.8m (\$26.2m) loss at General Accident a troubled NZI Bank aubsidiery, which was hit heavily last year by the ... eide-effects of the Rothwells collapse in Aus-tralia, was e factor in a 5 per cent drop in the:

composite insurer's first quarter pre-tax profits to £55.5m. With US profit margins under pressure from the downswing in the property/casuelty underwriting cycle, GA's worldwide underwriting losses tell 6 per cent to £19.8m on non-life premiums of £696m. Page 32

Higher and higher



Continued buoyant demand for both manufacturing and non-indus-trial gases lifted operating profits at BOC Group, the gases and healthcare company chaired by Richard Giordano (left), by 15 per cent to £179.4m (\$298m) In the six months to the

end of March. However, interest charges of \$30m resulting from the company's heavy capital expenditure programme constrained profits at the pre-tax level to £149.4m. Page 28

The name goes on



Hong Kong's 46 storey

Bond Centre, which

became wholly land

nese owned in a deal

struck on Wednesday night, will continue to Alan Bond, the Austra-lian entrepreneur (left), at least until June 30 1997, when the colony reverts to Chinese sovereignty. Meanwhile,

Bond executives are considering how to transfer some of the proceeds from the deal to Australia, reports John Elliott. Page 24

Market Statistics

Base lending rates Benchmark Govt bonds FT-A world indices FT int bond service Financial futures

in III

London share service London traded options London tradit options New lot, bond issues World commodity prices World stock mixt indices

Grupo Zeta

Grupo Zeta
Hambro Countrywide 31

Hugo Boss Kenyon Securities Ketson

Companies in this section

Allied Ins Brokers **Bond Corporation** Boone Co Bowater Industries Cariton Comms Chamberlain Phipps Chemical Bank Co-operative Retail

sso Italiana Evode FLAG Farmers Group First City Financial GPA Group General Accident old Greenlees Trott Great Southern Gp

MCorp Martin-Williams NatWest Bank OSA Marine
Ocean Transport
PTL (Plant Hire)
Platon International
Rank Organisation
Royal Dutch/Shell
Royal Insurance
Sandvik
Sandvik
Shenuto Pustoral Sherwin Pastoral Sumitomo Metal TAN VTG Venture Plant Group Warnford I WestLB Yorklyde

Chief price changes yesterday Peoper To. TOKYO (Yen) Mines Deichi Chun when Spindin 45 25

423 337

COMPANIES & MARKETS

Friday May 12 1989



GrandMet jumps 30% to over £300m

GRAND Metropolitan, the UK food and drink group, yesterday announced e 30 per cent increase announced e 30 per cent increase in interim pre-tax profits – at the top end of City forecasts – but its shares fell amid market concern about the shape of its balance sheet following the acquisition of Pillsbury, the US food armus. food group. GrandMet's gearing at the half

year ended March 31st 1989, three months after the \$5.85bn acquisition of Pilishnry was 198 per cent, and the group further discon-certed the market yesterday by disclosing that it had made provi-sions totalling \$750m for the

Grand Met sought to play down the provisions — which take in new US rules on accounting for

Big demand

By Peter Bruce In Madrid

VERY HEAVY demand for

there in Repsol, the Spanish oil company being partly privatised, emerged yesterday as the country's biggest industrial company made its stock market debut.

However, first day's trading on the Madrid stock market ended without a single share being sold, despite the demand. This was because the Madrid market

was because the matrix market had placed a limit of Pia2,046 (\$17.14) on the shares, which were floated off at Pta1,700. Although some 17m shares

were understood to have been demanded, no sellers came for-

On the Bilbao bolsa, however, a substantial number of shares were sold, and the stock closed

The shares were quoted yester-day in New York as well as on the four Spanish bourses, and early trading on Wall Street saw

more than 2m shares traded for the equivalent of some Pts2,060

Repsel officials said yesterday

they were satisfied with the first day's trading, despite the absence of any official sales in absorbed.

The company, which has spent more than Pta2bn publicising

the offering, had worried that early trading would be marked by massive speculation and that the nearly 350,000 private Span-ish shareholders it has attracted

ish shareholders it has attracted would quickly be overwhelmed by institutional buyers.

The offer only closed last weekend, however, and local small shareholders still have not received their allocations.

The Madrid exchange may lift its price ceiling today, having watched prices rise 21 per cent or so in New York despite the heavy trading there.

Market report Hack Page

there at Pta2,150.

for shares

in Repsol

pensions and medical care, as well as further rationalisation costs — describing them as "pru-dent" and open to major revision. However, the company's shares closed at 557p per share, down 24p. Mr Allen Sheppard, chairman

of GrandMet, in announcing pretax profits of £301m (£232m), said Pillsbury established GrandMet as the eighth-biggest interna-tional operator in the world's food league.
Grand Metropolitan's progress report yesterday on the acquisition re-assured the City, although analysts said it was early days.

Since January, when Grand Met acquired the US group, cen-tral overheads have been slashed

at both Pillsbury Food's and Bur-

Bennigans licensed restaurant chain, were said to be progress-ing smoothly. Pillsbury contrib-uted £69m towards the food division's trading profit of £106m (£34m in the previous year), while the drinks division contrib-uted £159m (£135m) and retailing 292m (£62m). Discontinued busi-nesses including Inter-Continen-tal, the hotel chain, provided £12m (£40m) towards trading profits which totalled £369m

Total group turnover was \$4.04bn, an increase of 40 per cent on the previous year. Sales revenues of continuing businesses, excluding Pillsbury and

ger King's headquarters. Plants
have been closed. Disposals,
including the \$430m sale of the
cent.

Earnings per share increased by 24 per cent to 22.9p from 18.4p after absorbing e higher tax charge than last year. An interim dividend of 6.75p per share is to be paid, up 23 per cent. An extraordinary item of \$518m, compared with \$74m in the previous year, was earned mainly from the sale of Inter-

Continental Hotels.

In the food division, Express Foods and Eden Vale both produced strong growth with underlying profits 26 per cent up. Also, the US pet food business, in the case of an interest competitive. face of an intensely competitive market, maintained last year's profit levels.

In drinks, IDV maintained its position as the world's largest wine and spirits group hy vol-ume. Trading profits increased by

18 per cent.

Brewing activities, said Grand
Met, were well equipped to face
potential issues arising from the
recent Monopolies and Mergers
report. If this is implemented in
full Grand Met will have to sail its brewing operations to retain

all its pubs. Strong profits growth came in the retailing division from exist-ing businesses soch as Pearle and acquisitions including Wienerwald, the Continental restaurant chain and William Hill. The casino operations' results were described as disappointing.

Rising oil prices fail to lift Shell and BP

By Steven Butter in London

RISING OIL prices have proved e mixed benefit to the Royal Dutch/Sbell Group and British Petroleum, two of the world's three largest private oil compa-nies, which reported their first

Neither company was able to take full advantage of the sharp rise in crude prices during the period and reported lower profits in exploration and production. The steady rise in crude oil and refined product prices also squeezed margins in refining and

marketing, as the industry was unable to pass on higher costs quickly enough to customers. After-tax profits at BP fell by 6.6 per cent to £381m (\$632m), while Shell reported a 22½ per cent rise to £1.1bn, with Shell benefiting strongly from property

disposals. Both companies' fig-ures are compared with the first quarter of 1988 and discount the quarter of 1998 and discount the effect of inventory losses and gains. Inventory values rose sharply due to rising prices.

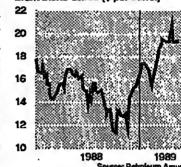
Mr David Simon, BP managing director in charge of finance, said yesterday that in the past week. with crude and refined product prices in retreat, prices had come back into better balance, at least

he pointed out that markets have been extremely volatile in recent However, BP had slightly raised its crude oil price projec-tions for the second half of the year for planning purposes. Brent crude is now expected to fluctuate within the range of \$16 to \$17 dollars a barrel.

to boost second quarter results if the balance persisted. However,

Perhaps most surprising was the two companies' inability to turn higher crude prices directly into higher upstream profits. This was due first to platform Oil price

Brent Blend Crude (\$ per barrel)



shutdowns in the North Sea which cut output. Shell recognised that the cut in output was parity responsible for the increase in prices and said the outlook for upstream earnings depended on whether the recent price rises could be maintained. Both companies are also paying more tax on North Sea

operations because tax benefits on some of the hig fields which were developed early have

Exploration costs bave also hecause of increased levels of activity. Shell UK hes come under increasing pressure from the Government to explore the large bank of undrilled acreage which it acquired in earlier North Sea licence rounds.

The boom in chemicals continned for both companies in the first quarter, despite a steady rise in feed stock costs. None the less, Shell managed to boost margins, while BP said that higher volumes made up for a decline in margins.

Lex, Page 20; Details, Page 27; Esso Italiana results, Page 23

Minorco chases **US** court deadline

By Kenneth Gooding in London

MINORCO, the Sonth African-controlled investment group, suggested last night it was making considerable prog-ress towards having e New York conrt remove the injunction which preveots the completion of its £3.5bn (\$5.9bn) bid for Consolidated Gold Fields, the diversi-

fied UK mining group.

It admitted, bowever, that the timetable set by the court leaves very little room to spare before the bid deedline et midnight oext Wednesday when Minorco must either take control of Gold Fields or allow the offer to lapse.

Minorco made an epplication to the court to have the injunc-tion put aside because it was "frandulently obtained" by New-

mont Mining, of the US.
Judge Michael Mukasey yesterday ordered Newmont to submit

e reply hy Mondey. Minorco must then put its final submis-sion hy Tuesday. He also dismissed an epplication mede hy Newmont on Wednesday alleging Minorco was

in contempt of his court.
Since Gold Fields dropped out
of the US case on Tuesday under pressure from the UK Takeover Panel, only Newmont's injunc-tion – which prevents Minorco adding to its 30 per cent share-holding in Gold Fields – stands hetween Minorco and success with its bid.

Apart from its court action, Minorco is also attempting to encourage a hid for Newmont to get the injunction removed. Sir Michael Edwardes, Minorco's chief executive, said yesterday: "We are seriously talking to companies about Newmont and using every avenue to establish

whether there is a buyer."
Gold Fields owns 49 per cent
of Newmont and Minorco intends to self this stake if it gains con-trol of the UK group. Although a hid for Newmont

would cost more than \$2bn and would have to be in cash, there nity for a rival to snap up "one of the world's greatest gold com-panies." Sir Michael suggested. But Minorco had not been

epproached about a bid for Newmont or by anyone wanting its 30 per cent Gold Fields stake, he said. Meanwhile, in what was widely interpreted as e defensive ploy. Newmont yesterday announced a recapitalisation of its 49.97 per cent-owned associate, Peabody Coal. Minorco dismissed the move as "cosmetic" and said: "Newmont is trying to improve the value of its stock by shifting some debt to Peabody."

Boulet makes increased offer of 345p a share for BMP

demonstrators.

Market report, Back Page

THE BID battle over UK-based advertising agency and marketing services group Boase Massimi Pollitt intensified yesterday as its Paris-based predator, Boulet Dru Dupuy Petit, raised the terms of its cash offer from 300p to 3450 a share to 345p a share.

to 345p a share.

The new leveraged offer, which values the UK group at around £118.5m (\$200m), compared with £103m previously, brought e curt and almost immediate response from BMP.

"We have no hesitation in rejecting it," said BMP, adding that shareholders would not receive the final dividend of around 10p (gross) if the bid was successful, and that the offer was therefore worth only 335p a

therefore worth only 335p a

BDDP, however, quickly moved into the market, attempting to add to the group's 10.5 per cent stake in BMP. By the close, SEAQ showed a trading volume of 2.2m shares, and BDDP is

believed to have added about 2 per cent to its stake. BMP shares

yesterday broke up amid bar-racking by anti-apartheid

They were protesting at a decision to end questions

about the company's trading policy in South Africa. The

Anti-Apartheid Movement

was yesterday taking legal

Shell meeting ends in uproar

Shell Transport and Trading's advice on whether it could

annual meeting in London seek an annulment of the

rose from 331p to 343p. Yesterday, Mr Jsan-Clande Boulet, head of the French adverthe french advertising agency group, said that the decision to raise the offer was based on the "quality and creative reputation of BMP's companies" and the "reassurances which we have received from our direct contacts with a number of major clients of BMP that our strategy . . . will be favourably received," rather than on BMP's recently-announced figures for 1988-9. Analysts, however, had never viewed the 300p e share offer as more than a sighting shot.

There has been much speculation as to whether other agency groups would enter the fray once BUDP revised its offer, or whether BMP would seek e "white knight" — with the likes of Omnicom being strongly tipped. Asked about the latter

possibility yesterday, BMP said it was trying to remain an inde-pendent company and there were no "white knight" discussions. One agency group, the Swiss-registered TBWA company, has already picked np a 2.6 per cent interest in BMP. Its advisers expressing no surprise at the revised terms — said only that "every option remains open" in the light of the new BDDP offer. The new BDDP offer has been

declared final but the group reserves the right to revise its terms in the event of a competi-

business passed at the meet-

Holmes, chairman, had taken

the steps he thought fit to determine the wishes of the

meeting amid the uproar.

Details page 27

But Shell said Sir Peter

tive situation.
It says that funding for the new effer is broadly in line with that proposed for the original bid — with the three categories of equity, mezzanine and debt funding increased in equal pro-portions. Its advisers add that the hanking covenants - con-cerning the likes of cash-flow and interest cover - are

Murdoch enters Spanish TV race

By Peter Bruce in Madrid

MR RUPERT Murdoch, the international media magnate, has made a late and surprise bid to enter the race to win one of three private Spanish television chanels about to be licensed by the

Government.

Mr Murdoch has joined forces with a local magazine publisher, Grupo Zeta, in one of the five consortia likely to have applied to the Government for a televi-

sion licence when applications close early next week.

He has taken a 25 per cent stake, the maximum allowable to foreigners, in Univision Canal 1, following the withdrawal from the consortium of the French television channel TF1 and Mr gramme. Giancarlo Parreti'a Pathe group. Grupo Zeta, which is leading the number

consortium also has e 25 per cent and financiers.

The race to win one of the three channels on offer has also attracted the Italian entrepreneur, Mr Silvio Berlusconi, who has joined forces with Anaya, a publisher of educational books, ONCE, the national organisation for the blind, and other institutional investors.

Mr Berlusconi also has 25 per cent of the consortium, Gestevi-

Prisa, the publisher of the daily newspaper El Pais, has Iready submitted a bid to the Govern-ment along with Canal Plus of France to provide a Pay-TV pro-

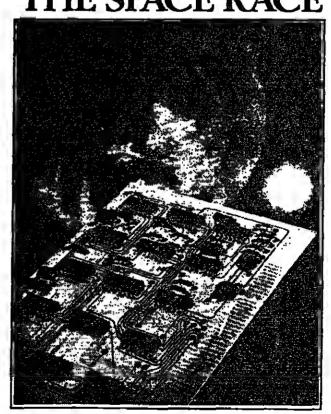
They have been joined by a number of major Spanish banks

The Big Barcelona newspaper, La Vanguardia, has linked up with the Antena 3 radio network to make a fourth bid and a fifth Canal C, was presented in Madrid yesterday by a group of 25 busi-nessmen, most of which come from Catalonia. Despite the last-minute clam-

our to take e place among the bidders for the channels, most competitors have great doubts about the future of private television in Spain.

The Government is simultaneously creating a string of regional channels that will even tually have to compete with the new private operators for a slice of the relatively small advertis-

THE SPACE RACE



New style Business floor space is to short supply. Both in Europe and the UK.

That's why major organisations are turning to Healey & Baker. With our "in-bouse" data base and European network of contacts — see can identify potential development sites, arrange finances and advise on true market demand. Not just by lock — but backed by detailed sector surveys and an

If you aim to build or acquire new Bosmess floor space make the right connection. Talk to Paul Bacon or Nick Cox now.



the Power in Office and Industrial Space

By Andrew Fisher

HUGO BOSS, the West German meo's fashion company, yesterday gave details of its promised dividend increase after e sharp rise in profits for 1988 and said sales had shown e further advance in the first few

Holders of the quoted preference shares will receive a DM22 payment compared with DM20 the previous year, while the dividend on the ordinary shares will be DM20 against

DM18 a soare.

Boss, which has already said that net profits last year rose by 49 per cent to DM33.6m

(\$18m), is also making a one-for-three scrip issue.

Toe Boss brothers, Uwe and Holy, currently hold all of the ordinary soares, but are selling 20 per cent of this stock for personal reasons, including future inheritance taxes, and to create a wider market in the

equity.

The ordinary shares would be priced et DM1,720 apeice. Boss said yesterday. This will raise DM80m for the brothers, with the shares to be issued by a consortium led by Commerz-bank on May 16 and 17.

The price compares with a price of DM1.545 for the preference sbares yesterday, down by DM19 on the previous day.

Terms of a planned rights issue will be revealed later, with the proceeds helping to pay for the recent purchase of Joseph & Feiss, the US clothing firm. With the acquisition, Boss will have a US turnover of around \$200m.

Total group sales last year increased by 14 per cent to DM596m; foreign business was 42 per cent higher, accounting for two-fifths of the total. But domestic sales stagnated as a result of the decision to reduce retail outlets and prevent dam-age caused by discount trading in Boss products.

BMW, the West German luxury car group, reported unchanged provisional parent company net profit of DM375m (\$197.4m) in 1988. The group plans to pay an unchanged div-idend of DM12.50 per share, writes Our Financial Staff. Group results were not given.

State speeds up FFr1.5bn Crédit Lyonnais funding

By Paul Betts in Paris

THE FRENCH Government has decided to accelerate the injection of new capital funds into Credit Lyonnais to enable the large nationalised bank to meet the Cooke Committee prudential ratio requirements. Mr Pierre Bérégovoy, the Finance Minister, announced last night that he had asked the Caisse des Dépôts et Consignetions, the state-owned credit institution, to subscribe to e FFr1.5hn (\$233m) capital increase for Crédit Lyonnais. Mr Beregovoy indicated that

further capital increases would be backed by the Government to help Crédit Lyonneis to meet its prudential ratio requirements between now and 1992, in line with the bank's

increased lending.
Mr Jean-Yves Haberer, the
new chairman of Crédit Lyonnew charman of Credit Lyon-nais, had indicated in recent weeks that he was actively negotiating with his stete shareholder ways to enable his bank to raise the necessary capital to meet the new ratios. As a netionalised bank, Crédit Lyonnais is handi-capped in tapping the financial markets for equity funds in contrast to privatised banks like Societe Generale. For this reason, the govern-ment has been working out

new instruments and devices to enable state groups to raise fresh capital. Credit Lyonnais has reported a 7 per cent fall in net profits last year to FFr2.06bn because of losses at its UK securities

SGS confident of record net earnings for year sees profit of £213.7m

SOCIETE GENERALE de Surveillance, the Swiss inspection services group, expects to improve this year on 1988's record net earnings of SFr124.6m (\$73.7m), Mr Philippe de Weck, its chairman, said yesterday.

First-querter results were

ahead of those for the first three months of 1988 and in line with the forecast. Mr de Weck noted, however, it was the last quarter that traditionally exerted the greatest impact on group returns.

SGS, the world's biggest control and pre-shipment inspec-tion group, rebounded from a 1987 setback to record a 7.4 per cent increase in fees to SFr1.68bn in 1988 and posted a 17 per cent climb in consoliThe ratio of net earnings to fees at 7.4 per cent was the highest for 10 years. Earnings per share came out at SFr276 compared with SFr236 in 1987 and SFr258 in 1986. The pro-posed dividend rises from SFr93 to SFr105 e share.

Mr Patrick Rich, Its new managing director, has reor-ganised SGS over the past two years, decentralising management responsibilities, introducing e quality programme based on Japanese techniques and building up new activities.

The fastest growth within the group has been in financial and insurance services where fees advanced, mainly by acquisitions, from SFr34m in 1981 to SFr390m last year.

WestLB declines 15.2%

By Haig Simonian in Frankfurt

GROUP PARTIAL operating profits at Westdentsche Landesbank (WestLB), West Ger-many's fourth biggest bank, fell by 15.2 per cent to DM793m (\$417m) last year from DM935m in 1987 as a result of lower interest earnings and apprecia-

bly higher costs. Group full operating profits, which included gains from trading on the bank's own account, declined by a lower margin to DM930m, from DM1bn in 1987, thanks to improved trading profits,

according to Mr Friedel Neu-ber, WestLB's chief executive. Group earnings in the first quarter this year continued the downward trend, with a fall in full operating profits to under DM200m, from DM240m for one quarter of 1988, he said. As a result, the bank forecast that full group operating profits for the full year were likely to be about DM100m less than in 1988, largely on account of the rise in domestic interest rates.

Group total assets increased by 8.2 per cent to DM165bn.

operations and e surge in pro-visions for bad debts. Gateway ·

By Nikki Tait in London

GATEWAY. Britain's third largest food retailer which is fighting a £1.73bn (\$2.87bn) hostile leveraged bid from the newly-formed Isosceles company, yesterday estimated a pre-tax profit of £213.7m in the 52 weeks to April 29 and claimed it demonstrated the "inadequacy of the offer."

The figure compares with £185.8m recorded in the previous 53-week period. Unusually, Gateway has released the figures 24 hours ahead of its first formal

defence document.
It said it wished investors and the market to concentrate
on trading progress before
moving on to arguments
involved in the bid.
The figures are better than
the £190m to £200m that most

analysts were predicting, but some were suggesting yester-day that the discrepancy was largely due to a lower than expected interest charge, with the actual trading results only slightly ahead of fore-

Gateway shares closed unchanged at 195p, in line with the Isosceles cash offer.

The estimated trading profit from Gateway Foodmarkets, the core UK supermarket and superstore business, plus the Medicare chain is £190.8m Lex, Page 20; Asda stake, Page 28

May, 1989

Buoyant opening quarter for Sandvik

By Robert Taylor

SANDVIK, the Swedish cemented carbide and special steels group, yesterday announced an 18 per cent rise in first-quarter profits (after financial items) to SKr705m (\$109.4m) from SKr600m a year earlier.

The value of Sandvik's order books rose by 16 per cent to SKr5.1bn over the year to end-march, while invoiced sales continued to grow impres-

continued to grow impres-sively from SKr4.66bn to

SKr3.85bn.
Yesterday the group said the strong sales position would be maintained throughout 1989.
It expects invoiced sales to reach SKr18bn to SKr19bn, against SKr16.4bn in 1988. Sandvik also made it clear

Sandvik also made it clear that profits (after financial items) for the whole of 1989 should be as high as last year when they totalied SKr2.81bn. However, to judge by yesterday's figures the group may be taking a rather over-cautious view of its profit prospects for 1980.

A breakdown of Sandvik's performance in its different divisions underlines the bouydivisions underlines the bouy-ancy of the market.

Steel division sales jumped
33 per cent from SKr1.23bn to
SKr1.64bn in the first quarter
from a year earlier, while in
the cemented carbide division
sales rose 13 per cent from
SKr2.13bn to SKr2.41bn.
Sandvik said that "swan if

Sandvik said that "even if the consumption-driven ele-ment in the boom would

appear to have passed its peak, there is at present a strong investment current that is boosting demand for a large proportion of the group's prod-Mr Per-Olof Eriksson, president, told shareholders that the results would enable Sandvik to "consider an increased range of alternatives for

 Esselte, the Swedish office equipment concern, suffered a fall in first-quarter profit (after financial items) to SKr191m (\$29.7m) from SKr217m. But the directors repeat earlier forecasts of 10 per cent growth on 1988's profit of SKr922m.

future action."

HDTV report urges US to view wider picture

Louise Kehoe on calls for government funding

he US electronics industry's proposal for a \$1.35hn government-sponsored programme to capture the lion's share of the anticipated \$40hn market for high definition television (HDTV) products, received a muted response in Washington this week.

HDTV supporters in the capital had hoped that the industry would submit a relatively simple proposal for one or more industry consortis, to be jointly funded by member com-panies and the US Govern-ment, following the model established by the US semicon-ductor industry's Sematech consortis.

consortia.
Instead, what the industry has presented to Congress is a far more complex and politically-sensitive scheme to rebuild the US consumer electronics

industry, based on an unprecedented level of US Government industry collaboration.

The problem, it appears, is that US electronics manufacturers are not prepared to committee the problem. mit to investments in HDTV development and manufactur-ing unless and until the Gov-ernment is willing to under-

write their efforts.

Industry officials said the formation of one or more industry consortia now appeared to be premature. Some companies were interested, but awaited a high-profile industry leader. Strong leadership from the Administration of the construction tration would motivate the formation of such industry con-sortia, they added.

The industry report's authors provide a blueprint for the formation of a major new manufacturing industry sector. First, the report suggests, the

US Defence Department should provide \$300m in research and development grants to US companies and groups of companies in order to "plug the gapa" in the existing US technology

in the existing US technology base.

Central to the plan is the formation, this year, of "ATV Corporation," e government appointed management group representing industry, academia and government, to guide overall advanced talevision strategy. ATV would administer a \$1bn programme of government loans and loan guarantees and also receive funding from the US electronics industry.

In 1991 1994 the plan envisages the formation of several "ATV ventures" backed by government loans and private investment to begin the design and manufacture of HDTV products and components.

Also in this time frame, the plan calls for ATV to support the formation of an advanced

video cassette recorder mann-ATV would also manage

major marketing programmes designed to entice consumers to buy HDTV receivers and related products.

The scope of the plan is huge, raising serious concerns about its ultimate cost. Some

industry analysts fear that HDTV would require long-term government support well-beyond that proposed in the industry plan. Yet it is clear that without government support US compa-nies would be reluctant to

undertake any significant investment in HDTV. "US companies lack advanced television technolo-

turing, marketing, supplier and distribution infrastructures. the report states. They face multi-national company consortia in Europe and a similar effort in Japan, where government is supporting . . . vari-

ment is supporting ... various initiatives."

An industry-government partnership is essential because profit margins in the HDTV industry are expected to be very low and the investment required to build up an industry infrastructure is very high, the report states.

There is no assurance that US consumers will want to buy expensive new HDTV sets. Why then should the US Government undertake a massive

ernment undertake a massive effort to promote HDTV?

What is at stake, electronics industry officials claim, is far more than a new generation of television sets with higher quality pictures. HDTV, they say, represents "a fundamental more important technology with say, represents "a findamental new imaging technology with long term and far-reaching competitive implications "that will eventually impact the entire electronics industry, the largest manufacturing sector in the US economy."

Most electronics experts agree that eventually there will be a merger of communications, computers and enter-tainment technology. Opinions differ, however, on whether the leaders in computer or consumer electronics stand to gain

as the industries merge.

What few doubt is the industry claim that "the resulting electronics-based industries may well underlie the world's economy and shape it's politi-cal organisation in the 21st century." The US, they argue, cannet afford not to enter the gies and the related manufac- HDTV business.

NatWest lifts stake in Spanish unit

NATIONAL Westminster Bank is to increase its stake in Banco NatWest March, its Spanish banking subsidiary, to 83.6 per cent from 47 per cent, writes David Lascelles, Bank-

ing Editor.
The subsidiary's name may also be changed to reflect the new ownership structure. NatWest is acquiring the additional stake from Grupo is owned by management). As a result, the Grupo March stake will fall to 10 per cent. The acquisition follows the

relaxation by the Bank of Spain on temporary limits on foreign bank ownership imposed after crises earlier this decade. The acquisition by assets of Pta261.7bn at end-Grupo March of Banco Urquijo 1988.

March which also previously Union, a competing bank, had had 47 per cent (the remainder also strengthened the case for a restructuring of ownership. The price of the deal was not disclosed, but reports in Madrid cited a sum of Pta15bn. Banco NatWest March has 161 branches. It registered pre-

tax profits of Pta2.29bn (\$19.3m) for 1988 and had total

This announcement appears as a metter of record only

April 1989



All these securities having been sold, this announcement appears as a matter of record only.

(Zen Nippon Kuyu Kabushiki Kaisha) (Incorporated with limited liability under the laws of Japan)

U.S.\$700,000,000

41/2 PER CENT. NOTES DUE 1993 WITH WARRANTS TO SUBSCRIBE FOR SHARES OF COMMON STOCK OF ALL NIPPON AIRWAYS CO., LTD.

ISSUE PRICE 100 PER CENT.

The Nikko Securities Co., (Europe) Ltd.

IBJ International Limited

Daiwa Europe Limited Kleinwort Benson Limited Nomura International

Goldman Sachs International Limited Mitsui Finance International Limited Yamaichi International (Europe) Limited

Bank of Tokyo Capital Markets Group Fuji International Finance Limited Nippon Kangyo Kakumaru (Europe) Limited

Banque Paribas Capital Markets Limited Baring Brothers & Co., Limited **DKB** International Limited **Marusan Europe Limited Morgan Stanley International** Salomon Brothers International Limited J. Henry Schroder Wagg & Co. Limited Swiss Bank Corporation Investment Banking Tokyo Securities Co. (Europe) Ltd.

Algemene Bank Nederland N.V. **Chase Investment Bank** Robert Fleming & Co. Limited **NatWest Capital Markets Limited** **Deutsche Bank Capital Markets Limited** LTCB International Limited S.G. Warburg Securities

Barclays de Zoete Wedd Limited Daiwa Bank (Capital Management) Limited **KOKUSAI Europe Limited** Merrili Lynch International Limited New Japan Securities Europe Limited Sanwa International Limited Sumitomo Finance International **Tokai International Limited** Toyo Securities Europe Ltd.

Wako International (Europe) Limited Banque Bruxelles Lambert S.A. Citicorp Investment Bank Limited J.P. Morgan Securities Asia Ltd. **Shearson Lehman Hutton International**



The Government of Gibraltar

£20,000,000 **Term Loan Facility**

Arranged by

National Westminster Bank PLC

Managed by

National Westminster Bank PLC The Royal Bank of Scotland pic

Co-Managed by

Banco Central, S.A., Gibrattar Branch Banco de Bilbao (Gibraltar) Ltd. Hill Samuel Bank Limited The Hongkong and Shanghal Banking Corporation

Facility Agent

National Westminster Bank PLC

INTERNATIONAL COMPANIES AND FINANCE

Newmont shuffles debt in Gold Fields defence move on MCorp's

NEWMONT MINING, the large Minorco takeover of Gold debt by the recapitalisation.

S gold producer just under Fields in the US counts on At the end of the transcent of the trans half owned by Consolidated Gold Fields of the UK, plans to transfer \$425m in debt from its own books to its coal subsid-

RSDAY MAY IN

iary, Peabody Coal. The plan, which will give Newmont cash remforcements in the thick of a furious battle for control of Gold Fields, intrigued and puzzled Wall Street and the City of London yesterday. It was not clear whether the money would be used to reduce Newmont Mining's crippling debt burden or to help Gold Fields, which is to help Gold Fleins, which is trying to fight off a £3.5bn (\$5.84bn) takeover from Minorco, a South African con-trolled investment group. A New York court yesterday put on hold a request by New-mont Mining that it declare

Minorco in contempt of court. Newmont is trying to block the

Farmers applies for exemption from price cuts By Nick Bunker

LOS ANGELES based Farmers Group, pert of the UK's BAT Industries, has joined tha queue of insurers sending in formal applications for exemptions from the 20 per cent pre-mium rate roll-backs required under California's Proposition 103 insurance price cutting

4.33

1 224

sh unit

In doing so, Farmars revealed how unprofitable some of its underwriting has been, by throwing open its books in evidence to the Calif-ornia insurance commissioner. Even after adding in investment income, the insurance exchanges managed by Farmers made a profit on Californian automobile policies in only one year since 1984. Farmers said the filing was an opportunity "to demonstrate the fairness of our current rates," which it wants to

Last week, the California Supreme Court ruled that insurers can be exempted from the roll-back if they prove that implementation would deny them a fair rate of

Newmont which came 8,97
per cent of Peabody Coal said
yesterday the coal group
North America's largest would buy out its four minority shareholders for about \$18m. Boeing, Bechtel invest-ments and Rastern Enterprises, each with 15.01 per cent,

prises, each with 15.01 per cent, have agreed to sell, while a fourth shareholder is considering the offer.

Newmorth Mining will then take a \$425m special dividend out of Peabody and sell 50.03 per cent of the company to the Wall Street firms advising on the transaction, Salomon and Shearson Lehman Hutton. The Shearson Lehman Hutton. The two firms are paying only \$55m for their half because the chal company, though it is profit able at a rate of about \$100m.a year, will be plunged deep into

By Roderick Oram in New York

MR FRANK LORENZO'S hopes

of hanging on to at least part of Eastern Air Lines have risen with the prospect of a blidding war for the carrier's shuttle

service and offers to buy other.

The offers, which a New

The offers, which a New York bankruptcy court will consider next week, would put Mr Lorenze; chairman of Texas Air, Eastern's parent company, about half way towards his goal of selling \$1.8hn of the bankrupt carrier's assets.

He wants to substantially alim down Eastern so it can resume full, service and leave the protection of the bankruptcy court. The presiding judge, has been trying to encourage a buyer for the complete airline in case Mr Lorenzo fails to develop a credible restructuring plan A two-

At the end of the transaction, Newmont will still own 49.97 per cent of Peabody Coal The deal will provide much

needed cash to Newmont. which has been struggling with a devastated balance sheet since it borrowed more than \$2bn to escape a takeover in 1987. Mr Gordon Parker, chairman of the Denver-based company, said the deal would "pay down a significant portion of Newmont's debt."

Newmont stock rose \$% to Newmont stock rose \$% to \$41 yesterday morning as Wall Street mulled the proposal. The big question is what are they going to do with the money," said Mr Ronald Shorr, an analyst at Bear Stearns.

Mr Rlabe Thomas, a Kansas investment adviser, said. "They could have done this any time. Why do they choose now to improve their balance sheet?"

Lorenzo's hopes rise with

Eastern shuttle bid war and 21 aircraft. Alternatively it

and 21 aircraft. Albernatively it would pay \$365m for the facilities alone leaving Eastern to raise up to \$20m from selling the aircraft separately. America West also wants to buy 10 Boeing 757 airliners from Eastern for \$336m.

It had earlier hid \$390m for the shuttle complete with aircraft and \$336m for the 757s, topping a \$365m bid for the shuttle's ground assets and 21 jets from Mr Donald Trump,

the New York investor. the New York investor.

Mr Trump was on the verge of completing the deal before Eastern filled for bankruptcy protection. The court must now chose the offer best for Eastern's creditors, giving America West'a change to beat Mr Trump. His colleagues have said he will not raise the offer but Wall Street doubts he will but Wall Street doubts he will

enzo fails to develop a credible restructuring plan. A two-month old strike by its machinists, backed by its pilots, has forced it to virtually shut.

The higgest offer to date is by America. West Airlines, a new, fast expending carrier based in Arizona, for Eastern's Boston New York-Washington shuttle. It has raised its offer to \$415m for ground facilities walk away from the deal. In other bids, USAir has offered \$525m for 15 757s, three US- Canadian routes, a number of airport gates and two main-tenance depots. The only bid-der so far for all of Eastern is Mr William Howard, former chief executive of Piedmont Airlines.

Chemical sets sights 20 banks

By Karen Zagor

CHEMICAL BANKING, holding company for the sixth largest US bank, has said it is seriously considering making a bid for the 20 Texas-based MCorp banks which were seized by the Federal Denosit March.

The MCorp banks, which have been called the Deposit Insurance Bridge Bank since the FDIC seizure, have assets of about \$13bn, making Bridge Bank the third higgest Texas hanking company.

The logic behind Chemical's bid is that the Houston-based

Bridge Bank would comple-

Bridge Bank would complement Chemical's Dallas-based
Texas Commerce, which the
New York bank acquired in
1987 for \$1.19bn.
Chemical, like the other
potential bidders for Bridge
Bank, is hoping that the Texas
economy will recover from the
plunge in oil prices in the plunge in oil prices in the

mid-1980s.
Chemical has already completed one hig acquisition this year. In January it bought Horizon Bancorp of New Jer-sey for \$650m. The New Jersey bank has assets of about

Other possible industry suit-ors for the failed banks include First City Bancorp of Texas, Wells Fargo of Calif-ornia, Barnett Banks of Florida, Banc One of Ohio and NCNB, the North Carolina

MCorp has also attracted interest from Kohlberg Kravis Roberts, the US takeover spe-cialist, and the Pritzker family of Chicago.
The banks were seized by

the banks were seized by the FDIC after they were declared technically insolvent by the Office of the Comptroller. MCorp, which was left with five banks, filed for protection under Chapter 11 of the US bankruptcy law.

Mr William Seidman, FDIC chairman, said he would like to see the process completed

to see the process completed by July. US press reports gave May 22 as the date when bids would be accepted for the MCorp banks. The FDIC would

Esso Italiana hits at government delay on lead-free prices

By John Wyles in Rome

in the Italian Government, saying it would no longer launch any medium- or long-term investments on the basis only of political assurances that cer-tain policies will be put in

Mr William Barnes, the com-pany's president, and his senior colleagues were in bitter mood as they unveiled 1988 results, which showed a recovery from the L67bn (\$48m)

losses of the year before.

Although sales remained virtually atatic at L3,130bn, against L3,117bn in 1987, the company showed a net profit of L29bn, which management said should be read as break-even because L21bn had been raised through asset sales.

Esso's strongest complaints against the Italian Government arise from the fact that petrol pump prices remain subject to official controls.

The company says it has invested L100bn in new plant to produce lead-free petrol, parily on the basis of official undertakings given in 1985 that a price differential in favour of lead-free petrol would be intro-

duced by April this year. The lead-free plant is standing silent, bowever, because nothing is being done to encourage the consumption of lead-free petrol, the true pre-condition for a less polluting motor car population," said Mr

Mr Giorgio Ruffolo, the Envi-ronment Minister, said last than in 1987.

ESSO ITALIANA, the subsidiary of the US energy group, yesterday cast an impusual vote of no-confidence week he would bring a proposal to cabinet to give lead-free a price advantage "within the next week or two."

However, the failure to do so sooner "damages a relationship of trust which must exist in a modern economy between the industrial world and the insti-tutions," commented Mr Barnes. He added that Esso would delay anything other than short-term investments until government energy policy decisions were translated into firm policies.

The company's other charge is that the Government is fail-ing to act according to a law which requires it to authorise increases in petrol pump prices in line with average price changes in five other European countries. The most recent weekly index required an L18 per litre price rise, but the goveroment authorised only L14.

Commenting on the 1988 results, Mr Edoardo de Pedys, the company's vice president, said financial charges had risen from L61bn in 1987 to Laibn because of the size of losses in 1987, and also partly because Italian interest rates had been pushed np to the highest level among industrialised countries.

The final complaint was the requirement that production taxes should be paid before the producing company had recovered them from its customers. Agip, Italy'a state-owned petroleum company yesterday reported a fourfold rise in profits to L503bn on sales of

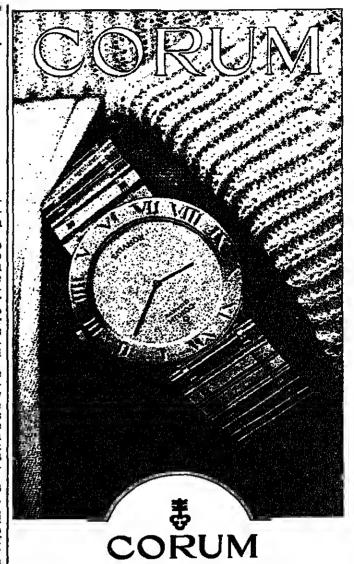
LTV-Sumitomo plan mill

LTV, THE second largest US steelmaker which is operating under Chapter 11 of the US bankruptcy code, plans to build a \$200m steel finishing mill in a joint venture with Sumitomo Metal Industries of Japan, writes James Buchan in

New York. The deal, the latest in a fiveyear string of US-Japanese steel joint ventures, will set up an electrogalvanising plant in Columbus, Ohio. The plant will deliver 340,000 tons a year of corrosion-resistant sheet to the neither confirm nor deny that

motor industry, including Jap-anese "transplants." The two companies are

already operating an electro-galvanising plant in Cleveland. Mr David Hoag, chief executive of LTV's steel division, said: "The partnerhsip between LTV Steel and Sumitomo again demonstrates our fundamental commitment to our automotive customers, both American and Japanese, to invest in the facilities and technologies needed to meet their changing require-



INDIVIDUALLY MADE WITH A DEGREE OF SKILL AND CARE THAT BELONGS TO A FORMER TIME, CORUM WATCHES CARRY DESIGN INTO THE FU-TURE. THE ROMULUS EPITOMISES THIS WITH ITS ULTRA-SLIM SOLID GOLD CASE AND "ROMAN HOURS" WHICH ARE HAND ENGRAVED ON THE

FOR A BROCHURE WRITE TO CORUM, 2301 LA CHAUX-DE-FONDS, SWITZERLAND

Travelling by air on business?

Enjoy reading your complimentary copy of the Financial Times when you are traveling on scheduled flights from AMSTERDAM

oo, AIVIS I EURI/AIVA with British Airways, British Midland, Canadian Pacific Air, Finnair, KLM, Lufthausa, Pan-Am, SAS, Singapore Airlines, Thai Airways

...ROTTERDAM with NLM

FINANCIAL TIMES

While the commencer appears a matter of recipied and desired the commencer of the commencer NEW ISSUE



TOKYO TATEMONO CO., LTD.

U.S.\$200,000,000

4¼ per cent. Notes due 1993

Warrants

Wall Land To Bridge 1 6 1 1 2 1 to subscribe for shares of common stock of Tokyo Tatemono Co., Ltd.

ISSUE PRICE 100 PER CENT.

Daiwa Europe Limited

UBS Phillips & Drew Securities Limited Fuji International Finance Limited Yamaichi International (Europe) Limited

LTCB International Limited

Nomura International

Yasuda Trust Europe Limited

Citicorp Investment Bank Limited. Commerzbank Aktiengesellschaft Cosmo Securities (Europe) Limited

Crédit Lyonnais

Kleinwort Benson Limited Merrill Lynch International Limited

Robert Fleming & Co. Limited IBJ International Limited

Morgan Grenfell & Co. Limited The Nikko Securities Co., (Europe) Ltd. Nippon Credit International Limited Nippon Kangyo Kakumaru (Europe) Limited

J. Henry Schroder Wagg & Co. Limited

NEW ISSUE

This announcement appears as a matter of record only.

May, 1989



DAIKEN TRADE & INDUSTRY CO., LTD.

U.S.\$100,000,000

41/4 per cent. Guaranteed Bonds Due 1993

Warrants

to subscribe for shares of common stock of Daiken Trade & Industry Co., Ltd. Payment of principal and interest being unconditionally and irrevocably guaranteed by

The Sumitomo Bank, Limited

ISSUE PRICE 100 PER CENT.

Daiwa Europe Limited

Sumitomo Finance International

Sumitomo Trust International Limited

Banca del Gottardo

Barclays de Zoete Wedd Limited Cosmo Securities (Europe) Limited

DKB International Limited

IBJ International Limited Merrill Lynch International Limited

New Japan Securities Europe Limited

Wako International (Europe) Limited

Norinchukin International Limited Salomon Brothers International Limited

Swiss Bank Corporation

ANZ McCaughan

Banque Paribas Capital Markets Limited Bayerische Vereinsbank Aktiengesellschaft **Credit Suisse First Boston Limited**

> Robert Fleming & Co. Limited **Kyowa Finance International Limited**

> > Morgan Stanley International

Nomura International

N. M. Rothschild & Sons Limited

Universal (U.K.) Limited

Sanyo International Limited

Westdeutsche Landesbank Girozentrale

Yamaichi International (Europe) Limited

International Depositary Receipts evidencing Beneficial Cortificates

sepresenting 1,000 Units

Morgan Guaranty Trust Company of New York, Brunch Office as Depository

- 37-2-508-8215

21752 MORRK

mber: 32-2-512-4977

The Taiwan (R.O.C.) Fund

NOTICE

Notice is hereby given to the Limbolders and the holders (the "LDR holders") of the International Depository: Receipts the "IDRs") that, pursuant to the extensionary resolution adapted by the IDR holders in the vaccing field on April 18, 1989. The Taisons (R.O. C.) Fined (the "Fund"), effective May 11, 1989, (s) declared a Casti Distribution of NTS6.35 for each Unit outstanding on May 11, 1989, or NTS6.352.06 for each 1.000 Units represented by an IDR: and (6) declared a Bonca Distribution of 3 Bonca Units for each Unit outstanding on May 11, 1989, or 3.000 Bonus Units for each 1.000 Units represented by an IDR. Bonus Units for each IDR will be represented by a Bonca IDR, which will be represented by a Bonus Units for each IDR will be impresented by coupon up, 6 from the international Depository Resolution of the Poud.

The Cash Distribution will be made against presentation of composes. S from the International Depository Receipts of the Fund, and will be onlyed to applicable addotions on and fees and the presentation of the required compose and certificate of automatics. A further notice will be published with respect to the number to which the

Bonus IDRs will be separately insignible from the International Demository ipts. Until further notice, if an IDR-holder winters to remarker Borne IDRs, is will

per train matter matter is an inter-monter wasten or investor points street, it will pared to do so by physical defivery of comput use, 6 and 7 and will need to swithe IDRs held in Euro-close or CEDEL S.A., as the case roay be, in order to

The Taiwan (R.O.C.) Fund

167 Fo Hsing North Road 17th floor Taipei. Taiwan

Republic of China.

886-2-713-7702

886-2-717-3077 13614 EVIRUST

Final dividend 1988

The General Meeting of Shereholders of Royal Dutch Petroleum Company held on 11th May, 1989, has decided to declare the final dividend for 1988 at N.fl. 4.10 on each of the orginary shares with e par value of N.fl. 5. The total dividend for 1988 will thus amount to N.fl. 7.10 per shere, including the interim dividend of N.fl. 6.00 alreedy made payable in September 1988, corresponding to N.fl. 3.00 after the split into shares with a psr value of N.ft. 5.

In the case of holders of bearer certificates with coupons this final dividend will be payable egeinst surrender of cou-pon No. 198 on or after 23rd May, 1989, at the offices of:

N.M. Rothschild & Sons Limited, New Court, St. Swithin's Lane, London EC4P 4DU

on business days between the hours of 9.30 e.m. and 2 p.m.

As already announced in January 1989, holders of certificates for bearer shares with e par value of N.fl. 10 provided with dividend coupons 185 to 197 inclusive must exchange them for new certificates for bearer shares with a par value of N.fl. 5 in order to be eligible for the final dividend in respect of 1988. For the ourposes of the exchange holders may contact the office of the above-mentioned bank.

Payment will be made in sterling et the buying rate of exchange current in London at 2 p.m. on 16th May, 1989, in the case of coupons presented on or before that date, or on the day of presentation in the case of coupons presented subsequently. Coupons must be accompanied by e presentation form, copies of which can be obtained from N.M. Rothschild

For sheres of which the dividend sheets were, et the close of business on 11th May, 1989, in custody of s Depositary admitted by Centrum voor Fondsenadministratie B.V., Amsterdam, this final dividend will be paid to such Depositary on 23rd May, 1989. Such payment will be made through the medium of N.M. Rothschild & Sons Limited, after receipt by them of a duly completed CF Dividend Claim Form.

Where under the double tax agreement between the United kingdom and the Netherlands, 15 psr cent Netherlands divi-dend tax has been withheld, the 15 per cent Netherlands tax is allowable for a resident of the United Kingdom es a credit against the United Kingdom income tax payable in respect of the dividend. The deduction of United Kingdom income tax et the reduced rate of 10 per cent instead of at the Basic Rete of 25 per cent represents a provisional allowance of credit at

Where appropriate, the usual affidavit certifying non-residence in the United Kingdom will also be required if payment Is to be made without deduction of United Kingdom income

The Hague, 12th May, 1989.
THE BOARD OF MANAGEMENT

INTERNATIONAL COMPANIES AND FINANCE

HK keeps Bond's name in lights

John Elliott on how property deal proceeds may head for Australia

ong Kong's 46-storey Bond Centre, which became wholly Japanese owned in a deal struck on Wednesday night, will continue to carry the name of Mr Alan Bond, the Australian entrepreneur, at least until June 30, 1997 when the colony reverts to Chinese

Mr Bond secured this symbolic date in a surprise agreement with EIE Development (International), the Hong Kong arm of a

Tokyo development company.

EIE has paid Bond's Hong Kong company just under HK\$2.26bn (US\$289.7m) for the half of the office development it did not already own. The name is meant to stay even if EIE sells the building.

Bond executives in Hong Kong and Australia are now considering how to transfer some or all of Bond's HK\$1.76bn proceeds from the deal to the beleaguered Bond Corporation Holdings in Australia, which has e debt mountain upwards of A\$5bn (US\$4bn).

The deal shows the willingness of the group to sell assets," said Mr Peter Lucas, managing director of Bond Corporation International (BCIL) of Hong Kong which is 66 per cent owned by the Perth-based Bond Corporation.

We have cash in our hands but no decision has been made on what to do with it, though there is pressure on the Australian company to demonstrate its

financial capacity."

Mr Lucas said that one possibility was for BCIL to purchase assets from the Australian company. Another route would be to pay a large dividend, although this would also have to be given to BCIL 8 34

per cent minority shareholders. Bankers suggested that Bond Corpora-tion and BCIL could also form a joint venture using BCIL finance and the par-ent's assets, or that Bond Corporation could borrow funds from BCIL.

By Chris Sherwell in Sydney

THE BATTLE for Sherwin

Pastoral, the big Australian

livestock and rural property

group, sharpened further veg-

terday when the entrepreneur

Mr Robert Holmes a Court sud-

denly topped a newly-raised offer from Bankers Trust Aus-

At the same time Mr Holmes

a Court and two Bankers Trust

nominees secured seats on



Hong Kong's 46-storey Bond Centre: valued by the deal at HK\$5.65bn

Mr Bond is not popular with his BCIL minority shareholders following an unsuccessful attempt to buy them out

The minority holders could now want to exert collective pressure on him over what happens to the proceeds when an extraordinary meeting is called to approve the

But their potential may well have been weakened because HKR Properties, a local development company which spearheaded the minorities cause, said yesterday that it had disposed of most of its stake and was no longer a significant shareholder The deal values the Bond Centre at

Holmes à Court raises bid for Sherwin

Sherwin's board after ousting A\$1.12 from A\$1.08.

HK\$5.65bn and EIE has agreed to pass on one third of any excess if it sells all or part of the centre within six months of completion. Most property experts said yesterday this was a good price for so large a property. Two local companies, including New World Development, are believed to have offered a lower figure. Some stockbrokers felt, however, that in Hong Kong's booming property market Mr Bond should have stood out for more.

After allowing for HK\$1.1bn of external debt on the whole of the building, BCIL's proceeds amount to HK\$2.26bn less a further HK\$500m of its own debt. This me it will realise HK\$1.76bn, of which HK\$1bn is to be released when bridging facilities have been arranged on or before the final completion date of June 26.

BCIL now has no significant assets in Hong Kong. It owns 50.2 per cent of a Chilean telephone company, 50 per cent of an Italian property development site in Rome, and 85 per cent of a south China

It is considering purchasing e couple of small properties in Hong Kong to demonstrate, as Mr Lucas put it yesterday, that "we are not leaving Hong Kong."

Asked why the June 1997 date had been chosen, Mr Lucas said: "No special reason

- it's about 10 years away!" BCIL also has an 18-year lease on two top floors of part of the Bond Centre and a joint venture management contract on the building with First Pacific Davies (Hong

Kong) which continues. But while the name Bond may continue to be seen in neon lights on top of what is one of Hong Kong's most architecturally impressive buildings, the local stock market yesterday gave its response by marking down BCIL shares from HK\$2.375 to HK\$2.125 on a day when the local Hang Seng index reached a post-crash high of 3,285.98.

lose control.

SPONSORED SECURITIES

3.1 8.9 332 295 Ass. Brit. lad, Grate 38 28 Armitage and Rived 33 25 SS8 Design Group 173 149 Bardon Group (SE) 6.8 73 110 105 Bardon Geoup Cr. Pref. (SE)____ 102 · 4.9 3.7 8.4 9.9 11.5 9.4 387 355 George Blair Sis Group _____ 7.1 4.1 10.1 261 Matthorn RV (AmaSE) 71 40 40 124 33 98 96 25 116 98. Robert Jenkint 280 270 Torday & Carlisle ... 111 100 Torday & Carlisle Com Prei

Securities designated ISED and AUSIAD are duals in subject to the rules and repr ge. Other securities listed above are dealt is subject to the rules of TSA

Limited our Grantille Deries Limited are maries analors in these securities

Bancomer Bancomer

Sociedad Nacional de Crédito

(incorporated in the United Mexical

States with limited liebility)

Formarly

Bancomer, S.A.

U.S. \$60,000,000

Subordinated Floating Rate Notes due 1986-1990

Notice is hereby given pursuant to the Terms end Conditions of the Notes that for the six month interest

Period, 15th May, 1989 to 15th November, 1989 the

Notes will carry an interest rate of 104% per ennum. On 15th November, 1989 interest of US\$52.39 will be due per US\$1,000 Note against coupon No. 15.

Agant Bank

A member of The Royal Bank of Canada Group

ORION ROYAL BANK LIMITED

Granuille & Co., Ltd., 8 Lovet Liur, Louden ECOR \$36" Telephone 0] 4511 1212

Member of TSA

Member of the Stock Exchange & TSA

8 Lovat Lane, Landon EC3R 88P Telephone 01-621 1212

12th May, 1989

CREDIT SUISSE **CREDIT SUISSE FINANCE (PANAMA) S.A.**

Notice to holders of 4%% US\$ Bonds with Warrants 1987-97 of Credit Suisse Finance (Panama) S.A.

> Warrants exercisable into CS Holding bearer shares

(Swies Security No. 804.880, No. 806.193 for the Warrants)

As notified on 11 April 1989 to the holders of 41/4% USS bonds with warrants 1987-97 of Credit Suisse Finence (Peneme) S.A., on 2 Merch 1989 the Ordinsry General Meeting of Shereholders of CS Holding end the Board of Directors of Credit Suisse epproved the necessery meesures for the restructuring of the CS Group. As pert of this restructuring, an exchange offer was mede to holders of Credit Suisse sheres with ettached perticipation certificates of CS Holding, the offer being open from 17 April to mid-day on 27 April 1989. The offer provided for conversion of each Credit Suisse share with attached CS Holding PC into 1.1 CS Holding shere of the appro-

The Extraordinery General Meeting of CS Holding held on 8 May 1989 fixed the level of equity capital at Sfr 2 350 000 000, consisting of 4 500 000 registered shares each with a nominal value of Sfr 100, and 3 800 000 bearer shares each with a nominal

Of these, 230 000 registered sheres each with a nominel value of Sfr 100 end 224 000 bearer sheres each with a nominel value of Sfr 500, all ranking for dividends as from 1 January 1989, ere to be made available for e rights issue open to shareholders end 1 Jenuary 1989, ere to be made available for e rights issue open to shareholders and perticipents of CS Holding. The offer will be open from 29 May to mid-day on 9 June 1989, and will enable shareholders of CS Holding to ecquire 1 new ehere for every 15 shares held in the appropriate category, and perticipents of CS Holding to acquire 1 new share for every 150 PCs of the appropriate category, at par. In connection with this rights offer, the aforementioned holders of warrants who, in accordance with the warrant terms, wish to apply for bearer shares of CS Holding (nominal value Sfr 500) and thereby become entitled to subscribe for new CS Holding bearer shares are requested to make their application not later than 22 May

ing beerer sheres, are requested to make their application not later then 22 May 1989. 10 warrent certificates entitle subscribers to 1.1 beerer sheres of CS Holding et e price of Sfr 3700.

Holders of warrants who do not elect to make use of their right to exercise the warrants will be compensated for the resulting loss of subscription rights to the share issue by an adjustment procedure described in the Terms and Conditions of the issue. The exercise price of the warrants will be edjusted with effect from 14 June 1989. No warrants may be exercised during the period from 23 May 1989 to 13 June 1989.

The new exercise price of the warrants is due to be published in this newspeper on 21 June 1989.

12 May 1989

Credit Suisse Credit Suisse Finance (Panama) S.A.

Koito moves to stave off Boone

This was itself an increase

on its earlier bid of A\$1.05,

which in turn topped a condi-tional offer by Mr Holmes è Court of A\$1.02 and an Elders

TXL offer of just 88 cents a

his 33.5 per cent share of the company and continues to fight a rearguard action. Yes-

Mr Sherwin has held on to

share, both of which lapsed.

By Stefan Wagstyl in Tokyo KOITO Manufacturing, the Jepanese vehicle lighting com-pany in which Mr T. Boone Pickens, the Texan corporate raider, has taken a \$1hu-plus stake, has reinforced its anti-

an ally of Mr Peter Sherwin,

the formder. The moves came

The offer from Mr Holmes à

Court, who already holds 19.9

per cent of Sherwin, was A\$1.15 per share, which values

the group at just over A\$84m

(US\$66.6m). Bankers Trust,

which has around 23 per cent had this week lifted its hid to

at the group's AGML

The Japanese group has its board to impress on Mr Pickens its intention to stay ont of his control. Mr Pickens, who has bought a 20.2 per cent stake in Kotto through his pri-vete investment company

Boone Co, had earlier asked for board representation. Koito turned down this demand. This week it also rejected e request by Boone to send more than one representative to the Koito annual meeting due to be held on June 29. Koito is closely affiliated to Toyota Motor, Japan's largest car maker, which holds e 19 per cent stake and nominates three board members.

Meanwhile, Boone this week rejected a request from Koito asking for details about how it. acquired its stake. Boone said there was no US regulation Koito's request was discrimina-

Boone acquired its 32.4m shares from Mr Kitaro Wetan-ebe, a Japanese stock market raider who heads Azabu Motor and Azabu Construction, car import and property compa-nies. Mr Wetanebs earlier unsuccessfully tried to sell his stake to Toyota in e greenmail operation. It is widely believed in Tokyo that Mr Wetanabe's sale of shares to Boone is covered by a repurchase agree-

Finance is continuing to inves-tigate the way in which Azabu Motor acquired its stock in the first place. The ministry believes Azabu infringed a law. which came into effect last October, requiring holders of to disclose them. Azabu held some of its

Meanwhile, the Ministry of

terday's events make it

increasingly likely that he will

Sherwin's disappointing per-

formance stands in sharp con-

trast to its counterpart, Stan-

broke Pastoral, which is owned

by the AMP and recently

announced a record after-tax

profit of A\$10.5m for the year to December and delivered a

handsome A\$10m dividend.

shares ontright and come through margin transactions, in effect bought on credit at stockbrokers.

Nevertheless, the ministry suspects the 10 per cent level was breached before the shares

passed to Boone.
Under the law, any profits made on the sale of illegally-held shares made within eix months of the purchase can be claimed back by the target company, in this case Koito.

Toyota Loom advances 21%

By Robert Thomson in Tokyo

TOYOTA AUTOMATIC Loom Works, the earliest of the Toyota Motor group of companies, yesterday reported a 20.8 per cent increase in annual pre-tax profit to Y22.07bn (\$164.2m), following strong domestic demand and a surge of 43.7 per cent in textile machinery sales to south-east Asian countries.

Asian countries.

The company, whose interests include the manufacture of forklifts and the assembly of engines and vehicles, said sales rose 18.9 per cent to Y437.4bn in the year to March. Automoblie assembly business was sluggish, though the eutomo-hile division was huoyed by demand for dissel engines, and reported an 11 per cent

reported an 11 per cent increase in sales. Strong domestic demand was behind a 23.5 per cent rise in industrial vehicle sales, while revenue from automotive air-conditioner compressors rose 21.3 per cent. The company said profit figures were hin-dered by increased personnel costs, foreign exchange losses and e smaller contribution from purely financial items.

Three years ago, Toyota Motor gave way to a greenmail attempt on Toyota Automatic Loom by Nippon Tochi, osten sibly a property group, which had acquired 17m shares in the company. Since then, the company has undergone rationalis-ation in which it has been aided by rapid growth in the domestic economy, es have other companies in the Toyota

group.
Toyota Auto Body, an affiliate of Toyota Motor specialising in the assembly of compact cars and commercial vans, reported its first rise in profits since 1985, up from Y5.21hn to Y6.02hn before tax, and sales increasing from Y289.15bn to Y816.45bn. However, the company expects demand for vehicles to slacken this year, in particular for trucks, and is predicting that pre-tax profits will increase only slightly to

Toyoda Machine Works. a mechine tool maker with Toyota Motor as its largest shareholder, announced that pre-tax proft for the year jumped 30.4 per cent to Y5.30bn on a 15 per cent increase in total sales to Y133.28hn. Sales of machine tool rose 14.7 per cent and of automobile parts. 15.6 per cent. Kanto Anto Works, a car

Kanto Anto Works, a car assembler and another affiliate of Toyota Motor, reported a 21.7 per cent lift in pre-tax profit to Y6.54bn for its year to March. Sales increased 4.4 per cent to Y334.97bn, basically because of strong sales of Toyota vehicles in the Japan's private car market. Commercial sales fell during the period cial sales fell during the period while, for the current year, total sales are expected to rise 4.5 per cent.

in respect of the above warrants, notice is hereby given as follows:
On 27th April, 1999, the Board of Directors of the Company resolved to make to shareholders of record as of 31st May, 1999, a free distribution of shares of its common stock at the rate of 0.1 new shares for one share so recorded. recorded.

As a result of the above free distribution, the Subscription Price (as defined in the Instrument dated 9th July, 1967, executed by the Company) of the above warrants per share of common stock will be adjusted.

pursuant to the provisions of Clar of the Instrument, as follows: Current Subscription Current Subscription
Price per share
Adjusted Subscription
Price per share
The said adjustment of the
Subscription Price will become
effective as from 1st June, 1989
(Japan time). Yen 1,301.6 Yen 1,183.3

Notice to Holders of
TOYAMA CHEMICAL CO., LTD.
(the "Company") Waxrants to
Subscribe for Share's of Common
Stock of the Company, Issued in
Conjunction with the Issue of
US\$50,000,000 134%
Guaranteed Notes Due 1992
for respect of the share stores

Toyana Chemical Co., Ltd. 2-5, Nishishinjaka 3-chome Shinjaka-ka, Tokyo, Japan. 12th May, 1989

GREAT. BELT A.S. (A/S Storebæitsforbindelsen)

¥7,000,000,000 Floating Rate Notes

Due 1994

Notice is hereby given that the Rate of Interest for the Interest Period from 9th May, 1989 to 9th November, 1989 is 4.98% per annum. Interest payable on 9th November, 1989 will amount to ¥1,255,233 per ¥50,000,000 principal amount of the Notes.

Agent Bank
The Long-Term Credit Bank
of Japan, Limited
Tokyo

POWER PLANT EQUIPMENT

The Financial Times proposes to publish a Survey on the above on

6TH JUNE 1989

For a full editorial synopsis and advertisement details, please contact:

PENNY SCOTT

on 01-873 3389 or write to her at: Number One, Southwark Bridge

London SEI 9HL.

FINANCIAL TIMES



U.S. \$50,000,000 Floating Rate Capital Notes due 1994

In accordance with the provisions of the Notes, notice is hereby given that the Rate of Interest for the Period 15th May, 1989 to 15th November, 1989 has been fixed at 101/2% per annum.

The Coupon Amount in respect of U.S. \$10,000 nominal of the Notes will be U.S. \$517.50. The Interest Payment Date will be 15th November, 1989.

> Agent Bank Samuel Montagu & Co. Limited

Alliance & Leicester Building Society £50,000,000 · Subordinated Variable Rate Notes 1998

ALLIANCE LEICESTER

In accordance with the Terms and Conditions of the Notes, notice is hereby given that the Rate of Interest for the fourth Interest Period from 8th May, 1989 to 8th August, 1989 has been fixed at 13.1125% per annum. Interest payable on 8th August, 1989 will amount to £330.51 per £10,000 principal amount.

Merrill Lynch International Bank Limited Agent Bank

MAGAZINE PUBLISHING

stial Times proposes to publish this survey on:

23rd Jame 1989

Neville Woodcock

or write to him ar

London SEI 9HL

FINANCIAL TIMES

INTERNATIONAL CAPITAL MARKETS

Eurotunnel units break new ground

Katharine Campbell on the latest tailor-made equity derivative

he nascent market in-tailored equity deriva-tivs products took another bold step forward this week with Salomon Brothers' covered warrant on Eurotun nel units, the lirst such over-the-counter product on

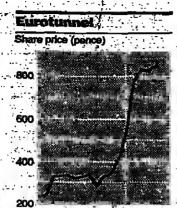
RESTORY MAY

Salomon'a London operation has issued 40m three-year war-rants priced at 21.5p, which allow the holders to exercise 10 warrants for one Eurotunnel unit once the units reach a price of £12.

The units, which were issued by Eurotunnel at the end of 1987, were trading at about £3.45 (\$14) when the new instruments were launched on Wednesday. The warrants are covered in the sense that Salomon guarantees to furnish the holders with units as and when they wish to exercise, and the warrant purchasers thus assume Salomon credit risk.

Tailored equity derivatives have received increasing prom-inence in recent months, particularly through warrants issued on stock indices. A market in covered warrants on individual stocks also exists hitherto largely confined to Japanese and US stocks, typi-cally repackaged to appeal to the Swiss retail market.

Several London brokers and fund managers beralded the Eurotunnel deal as the first of a number on UK shares. although the market will be limited, among other things, by the number of potential



issuers boasting a sufficiently good credit rating in investors

high price of existing warrants indicated a demand for a geared vehicle for gaining exposure to Eurotunnel. The existing warrants, which were given away by Eurorunnel when the units first came out, were trading yesterday at around 66p, compared with 25p for the new ones.

A number of investors had apparently taken the opportu-

nity to switch from the old to the new warrants. Because the new instruments are so far out-of-the-money (the current unit-price is safely below the exercise price) they are more highly geared—about four times compared with about 1.3 times for the original vehicles. The characteristics of the Eurotunnel venture make it a peculiarly appropriate vehicle or such warrants. For one thing. Eurotunnel is full of unknowns - including whether it will ever open -making the stock essentially speculativa and option-like in

its trading pattern.
In addition, it pays no dividend until the tunnel opens, currently scheduled for 1983, so that unit holders generate no income on their positions, adding to the attractions of being a warrent holder. being a warrant holder.

Most observers believe the issue was reasonably priced, even if rather far out-of-the money. Several London analysts forecast a price of more than £20 for Eurotunnel hy 1993, although the stock is

impossible to value accurately. The main risk for warrant holders who are in for the duration is that the stock closes in May 1992 at £11.99, in which case their warrants expire worthless. On the other hand, because the stock is not yet widely beld some fund managers might well view the warrant as a cheap insurance policy against dramatic appre-ciation of a stock in which they do not yet have a position. At the same time, many investors would be taking a

much sborter-term trading view, following fluctuations in the route to profitability is suc-cessful risk management of its

exposure to 4m Eurotunnel

ing tool is clearly the units themselves, although the old warrants, as well as a Eurotunnel option just introduced in Paris, are conceivable alterna-Because the warrants are

units. The most obvious hedg-

deeply out-of-the-monsy, the number of units Salomon would need to hold to protect their exposure at the moment would be low, around im shares. If the price increases dramatically, though, that relationship would change, which is where artful hedging comes in. Although Salomon is not prepared to comment on the size of its underlying position in units, market traders guessed they held a position of between 1m and 2m shares.

The technique of writing

covered warrants can be a prof-

itable way of helping finance a core bolding of stock, because the issuer takes in premium at start (£8.6m in Salomon's case), thus generating income, establishing some protection if the value of the stock falls, while keeping at least a good proportion of the meside gain. Mr Quintin Price, of options brokera James Capel, saw a wider field of issuers beyond the investment banking community. He said: "Increasing knowledge of derivatives among the more aggressive UK fund managers will, we hope. promote further issues of this kind by institutions which

have substantial holdings of UK stock they wish to protect.

Norsk Venture to have NKr600m in initial capital

By Karen Fossii in Oslo-

is to have an initial capital of NKr600m (\$87.2m), the Government announced yesterday.

The group; called Norsk Venture, will be 49 per cent state owned. The balance of capital will be raised via a public share issue planned for next

Norsk Venture will invest in

Commission

7*mei*

NORWAY'S state-backed new companies with high venture capital group, simed at growth potential in sectors-promoting local manufacture, which compete with foreign suppliers. Its formation was first proposed last November. Private investors subscribing

to the share issue will qualify. for tax breaks.

A consortium led by Industribanken, the state-owned investment bank, and local broker Fondsfinans will underNorsk Venture will have a two-fold investment strategy research and development for new technology projects and the setting up of companies, management buy-outs and

restructuring.

• Credit Capital Finance Corporation will shortly launch India's first private-sector venture capital fund. Development Capital, part of the Lazard group of the UK, will provide

technical support for the Rs100m (\$6.3m) fund to be called Credit Capital Venture Fund

Commonwealth Development Corporation of the UK and Asian Development Bank are to take a 12.5 per cent stake each. Indian state-owned banks and financial institutions will have 21 per cent, with the remainder held by CFC and the

ie Bonds: Denominated in dollars unless otherwise indicated, y = Change on day. On date = First date of correction into Core, price = Nominal amount of bond per share expressed ky of share at conversion rate fixed at issue. Prem = Percent-minan of the currentell active price of acquiring shares via the er the most recent price of the shares.

Closing prices on May 11

FT INTERNATIONAL BOND SERVICE

rejects NZSE rules NZSE rules
THE COMMERCE Commission
has refused to authorise same
New Zealand Stock Exchange
Commission
New Zealand Stock Exchange
Commission
Co rules because they substan-tially lessen competition, Reu-The commission said it had not approved an exchange rule

write the issue.

on net asset backing require-ments, a rule restricting mem-bers from association with another stock exchange, and a requirement that the majority of directors of member companies should be individual members of the exchange. Under the Commerce Act of

1986, the exchange has to submit its rules to the anti-trust watchdog for approval as pro-cess which has only now been The commission said it was

not prepared to authorise with-out modification the rule that NZSE members must observe proper ethical standards."
Past behaviour indicated this

rule had been used to enforce anti-competitive conduct and authorisation would be given only if the NZSE specified it would not interfere with competition, it said.

But the commission said it approved rules requiring bro-kers to trade through their own firm and on odd lots. It also cleared rules on disciplinary procedures, provided deci-sions were published.

Entry requirements for memhers were approved, except for a condition that they have net assets of at least NZ\$100,000 (US\$62,500). On list-ing requirements, the commis-sion found that those on proce-dural matters were unlikely to

lessen competition. It said provisions requiring listed companies to use NZSE members to arrange shars issues were exclusionary, but it authorised them because of the benefit to the public. • ASB Bank and Primary

Industry Bank of Australia have been granted registered bank status, the New Zealand Reserve Bank said. It is considering four other applications for registration which subjects banks to reserve bank capital adequacy ratios. New Zealand now has 19 registered banks.

> FT Germany For details on how to advertise in the Financial Times, please contact: Financial Times (Germany Advertising) Ltd Guioflettstrasse 54 D 6000 Frankfurt am Main Tel: (069) 7598/141 or 7598/143 (Classified) Fax: (069) 722677

Compiled | Soate 93 | 93 | 100 | 1983 | 983 | 01 | 401 | 10.19 | 10.00 | 984 | 983 | 01 | 401 | 10.19 | 10.00 | 984 | 983 | 01 | 401 | 10.19 | 10.00 | 984 | 983 | 01 | 401 | 10.19 | 10.00 | 10.00 | 984 | 984 | 01 | 401 | 10.19 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 1 EUTSCHE MARK 2.1.8. 6-1s 99.
2.1.8. 6-1s 99.
2.1.8. 6-1s 95.
Euro Coalds Steel 5-1s 97.
Euro Irina 6-1s 96.
Elec De France 5-1s 97.
Forsmark Krug 5-1s 93.
Hydro-Quebe 6-1s 99.
Japan Penance 5-1s 97.
Japan Penance 5-1s 97.
Peladd 6-1s 97.
In absorb 6-1s 96. CONVERTIBLE BONDS Minotes Camera 24, 9404 Minoteshi Sk. 14, 02 lis. Minoteshi Yest. 24, 01 lis. Mest. Pic 54, 03 E. WISS FEARC

FLOATING PATE
NOTES
Alliance & Letc.Bid 94 £
Bank of Greece 99 U.S.
Belgium 91 U.S.
Crelt.& Gloucester 94 £
Credit Foncier 98 U.S.
Decioner Finance 99 O.M.
EEC 3 92 O.M.
Halliax BS 99 £
Letc. Industry 94 £
Letc. Parm. B/S. 94 £
Middiand Bank O.I. £ On day 0.00 on week 0.0

Cart. Cart

sirte price Bid Offer

8/87 62. 1117, 1127,

19/87 50.7 121 122,

4/87 957. 1351, 1361,

1/87 50.994, 1001,

4/87 60.75 654 664,

4/87 60.75 654 664,

4/87 60.75 654 664,

4/87 60.75 654 664,

4/87 60.75 654 664,

4/87 60.75 654 664,

4/87 60.75 654 664,

4/87 60.2 772 654,

2/86 1004, 1154 117,

12/86 1004, 1154 117,

12/86 1004, 1154 117,

12/86 1004, 1154 117,

11/87 43 65, 954,

4/88 64 1224, 1234,

4/88 64 1224, 1234,

4/88 64 1224, 1234,

12/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084,

13/88 3.5 1074 1084, 01 -111 -11 0.69 -01 8.56 -12 327 0 43.99 0 17.87 -01 53.95 0 24.02 Hosen High Dr. 24 US 15.

Rundo Hourts 43, CS C.

Sectional Til, CC C.

W. J. Grace 64, CC US.

W. J. Grace 64, CC US. . I Only one market maker supplied a price Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in militons of currency units except for Yes bonds where it is in billions. Change on week - Change over prior a

These securities have been sold outside the United States of America and Japan. This announcement appears as a matter of record only.

NEW ISSUE

11th May, 1989

TOYO SASH TOYO SASH CO., LTD.

U.S.\$500,000,000 41/8 per cent. Bonds due 1993

Warrants to subscribe for shares of common stock of

Toyo Sash Co., Ltd.

Issue Price 100 per cent.

Nomura International **Morgan Stanley International**

Credit Suisse First Boston Limited DKB International Limited Marusan Europe Limited Mitsubishi Trust International Limited S.G. Warburg Securities Banque Internationale à Luxembourg S.A. Barclays de Zoete Wedd Limited **BNP Capital Markets Limited** LTCB International Limited Mitsui Trust International Limited Nippon Credit International Limited Salomon Brothers International Limited J. Henry Schroder Wagg & Co. Limited **Swiss Bank Corporation** Westdeutsche Landesbank Girozentrale

Taiyo Kobe International Limited The Nikko Securities Co., (Europe) Ltd.

Daiwa Europe Limited Kleinwort Benson Limited Mitsubishi Finance International Limited **NatWest Capital Markets Limited Bank of Tokyo Capital Markets Group Banque Paribas Capital Markets Limited** Baring Brothers & Co., Limited **Deutsche Bank Capital Markets Limited** Merrill Lynch International Limited **New Japan Securities Europe Limited** Prudential-Bache Capital Funding Sanyo International Limited **Shinyei Ishino Securities Company Limited** Tokai International Limited

Yamaichi International (Europe) Limited

Yamatane Securities (Europe) Limited

These securities have been sold outside the United States of America and Japan. This announcement

NEW ISSUE

11th May, 1989



FURUKAWA CO., LTD.

U.S.\$250,000,000

41/8 per cent. Guaranteed Bonds 1993

Warrants

to subscribe for shares of common stock of Furukawa Co., Ltd. The Bonds will be unconditionally and irrevocably guaranteed by

The Dai-Ichi Kangyo Bank, Limited

Issue Price 100 per cent.

DKB International Limited

Nomura International

Yamaichi International (Europe) Limited

Credit Suisse First Boston Limited

IBJ International Limited

ANZ McCaughan **Banque Paribas Capital Markets Limited** Baring Brothers & Co., Limited **BNP Capital Markets Limited** Dai-ichi Europe Limited Goldman Sachs International Limited KOKUSAI Europe Limited Merrill Lynch International Limited Morgan Stanley International Nippon Kangyo Kakumaru (Europe) Limited Prudential-Bache Capital Funding Swiss Volksbank Tokai International Limited

Bankers Trust International Limited Barclays de Zoete Wedd Limited Bayerische Vereinsbank Aktiengesellschaft **Chuo Trust International Limited** Daiwa Bank (Capital Management) Limited Kleinwort Benson Limited LTCB International Limited Morgan Grenfell & Co. Limited **New Japan Securities Europe Limited** Norinchukin International Limited J. Henry Schroder Wagg & Co. Limited Taiheiyo Europe Limited Westdeutsche Landesbank Girozentrale

US retail sales data help check Treasuries' decline

By Janet Bush in New York and Katharine Campbell in London

gain in US retail sales in April helped the US Treasury bond market to arrest this week's decline. However, prices rose only modestly yesterday morning as a cautious mood pre-

GOVERNMENT BONDS

vailed in advance of the 30-year bond syction

Bood prices had started out lower in anticipation of a strong retail sales release but had recovered hy midsession to stand as much as 4 point higher et the short end of the

The long end did less well. gaining only about 1/4 point. The Treasury's hencomark long hood underperformed other long dated maturities ahead of the auction, the last in this week's quarterly

refunding. The long bond was quoted a point higher for a yield of 9.09

per cent. Retail sales gained by only 0.4 per cent compared with forecasts of an increase of more than 1 per cent.

However, the market remained cautious in view of today a release of the April producer prices index which is expected to have risen by about 0.7 per cent, compared

with 0.4 per cent in March. Financial markets now seem less willing to react on any evidence of slower growth and to ignore evidence of a build-up in inflatioo, which is now the principal focus of concern. Bonds were also kept under pressure because of the long bond auction yesterday after

The results of the three-year and the 10-year auctions were respectable but not particolarly good and the market may struggle under this weight of supply.

A positive factor for bonds was another rehound in the dollar, which had jumped to Y135.15 and DM1.9125 hy midsession yesterday after some weakness on Wednesday.

ANOTHER addition to the steady stream of inflationary portents in Germany came yesterday in the form of April wholesale prices, which were up 1.1 per cent. This brought the yearly level to 6.5 per cent its highest level since mid-

The figures contributed to the hearish trend in quite heavy trading of the hund contract on Liffe, where the June future closed 1 basis point off the lows of the day at 92.92, and 31 points down on Wednes-

day's settlement price.
Unexpectedly low retail sales figures emanating from the US curiously failed to dent the dol-lar's hullish mood and, having traded below DMI.91 for a spell, the US currency pushed above that level on the news that the April increase in the US was just 0.4 per cent. This exacerbated weakness in the German market.

BEN	CHMAR	K GC	VER	MMEN	IT B	ONE
	Coupon	Red Date	Price	Change	Yield	Week
GILTS	13.500 9.750 9.000	9/92 1/98 10/08	106-24 96-26 97-04	+ 2/32 -1/32 -1/32	11.03 10.31 9.32	10.95 10.22 9.25

Coupon	Vale	PIACE	Committee	4 term	ago	
13.500 9.750 9.000	9/92 1/98 10/08	106-24 96-26 97-04	+ 2/32 -1/32 -1/32	11.03 10.31 9.32	10.95 10.22 9.25	11.10 10.34 9.36
8.875 8.875	2/99 2/19	98-07 97-22	+8/32 +4/32	2 15 9.10	9.07 2.09	9.27 9.09
4.600 5.700	6/98 3/07	95.3180 106.0053	-0,087	5.36 5.00	5.36 5.07	6.19 6.03
6.375	11/98	95.4000	-0.250	7.04	9.91	6.93
8.000 8,125	1/94 5/99	96.2923 94.9400	-0.107 -0.180	8.96 8.90	8.77	9.02 8.94
10.250	12/96	100.5750	+0.200	10.15	10.04	10.45
6.7500	10/98	96.0250	-0.300	7,34	7.20	7,11
12,000	7/99	91,6863	-0.307	13.51	13,34	13.76
	13.500 9.750 9.000 8.875 8.875 4.600 5.700 6.375 8.000 8.125 10.250 6.7500	13.500 9/92 9.750 1/98 9.000 10/08 8.875 2/19 4.600 6/98 5.700 3/07 6.375 11/98 8.000 1/94 8.125 5/69 10.250 12/98 6.7500 10/98	13.500 9/92 106-24 9,750 1/98 96-26 9,000 10/08 97-04 8.875 2/99 98-07 8.675 2/19 97-22 4.600 6/98 95.3180 5,700 3/07 106.0053 6.375 11/98 95.4000 8.000 1/94 96.2923 8,125 5/99 94.9400 10.250 12/98 100.5750 6,7500 10/98 96.0250	13.500 9/92 106-24 +2/32 9,750 1/98 96-26 -1/32 9.000 10/08 97-04 -1/32 8.875 2/99 98-07 +8/32 4.600 6/98 95.2180 -0.087 5.700 3/07 106.0053 -6.375 11/98 95.4000 -0.250 8.000 1/94 96.2923 -0.107 8.125 5/99 94.9400 -0.180 10.250 12/98 100.5750 +0.200 6.7500 10/98 96.0250 -0.300	13.500	13.500 9/92 106-24 +2/32 11.03 10.95 9.750 1/98 96-26 -1/32 10.31 10.22 9.000 10/08 97-04 -1/32 8.32 9.25 8.875 2/99 98-07 +8/32 8.15 9.07 8.675 2/19 97-22 +4/32 9.10 8.99 4.600 6/98 95.3180 -0.087 5.36 5.36 5.700 3/07 106.0053 - 5.06 5.07 6.375 11/98 95.4000 -0.250 7.04 9.91 8.000 1/94 96.2923 -0.107 8.98 8.88 8.77 10.250 12/98 100.5750 +0.200 10.15 10.04 6.7500 10/98 96.0250 -0.300 7.34 7.20

Technical DestATLAS Price Sources

Fitch to review borrowers' ratings

By Stephen Fidler

which had been weaker before the result, bounced back fol-

lowing significant covering of

The other principal factor

far as it was seen as further evidence of slower consumer

har soon put paid to any optimism and the June contract on the Matif dipped below 106, although it firmed slightly by

the close to 106.06, 18 basis

TRADING in UK gilt-edged

securities was virtually at a standstill yesterday afternoon

market's own somnolent stan-

terly bulletin, released after the market's close, contained

at first glance little that would

affect today's trading. The long gilt future closed just & lower than Wednesday at 95-03.

IN THE Netherlands bond

prices reacted negatively to the

dollar's performance, dropping 30 to 46 cents in thin trading. The recent state loan was

priced 40 cents lower at 97.65.
In a letter to parliament, Mr
Onuo Ruding, the Dutch
Finance Minister, explained

there had been no official leak

to banks which had, a couple of weeks ago, bid for a surpris-

ingly large amount of the most

recent state loan which turned

out to be very cheaply

He did mention, however, that his agent had had a fairly

extensive dialogue with the market about pricing. No for-mal investigation is to be

priced.

launched.

exceptional even by the

The Bank of England quar-

points down on the day.

But the resilience of the dol-

short positions.

THE French monthly auction postponed because of last week's holiday, went better than anticipated, with a total of FFr9.2bn of the tap stock sold at yields below those in PITCH Investors Service, the US rating agency taken over last month hy an investor group, said yesterday it would review all its existing ratings The tap 8% per cent Treasury stock yielded 8.88 per cent, 7 basis points below the previous month. The market, in a move that is expected to lead to a downgrading of some borrowers.

Mr Dan Evans, the new president and chief operating officer, said each issuer rated by Sitch would undergo a review over the next six mouths. He admitted that Fitch ratings "have been a little bit on the liberal side." influencing trading was the US retail sales data, which ini-tially boosted the market in so

Fitch, the oldest US rating agency, was founded in 1913 and had been owned by the Cacchione family for almost 30 years. It was taken over last month by an investor group led by Mr Russ Fraser, the new chairman and chief execu-tive officer, and Mr Robert Van Kempen, Mr Fraser was a former president of Ambac, a provider of financial guaran-tee insurance.

Fitch's ill-starred foray into the international markets ended in January, when it closed Euroratings, which had attempted to establish itself as a European ratings agency.

The purchase price for Fitch was not disclosed but was said to be in the region of between \$10m and \$12m in cash and notes. Mr Evans said an investment of about \$35m to \$50m was planned for the agency to allow it to compete on more equal terms with the

main rating agencies, Moody's and Standard & Poor's. The funds would be raised through issues of both equity and debt to investors through Shearson Lehman Hutton, which had already placed a

portion of the securities.

Mr Evans said the firm had already embarked on expansion plans - hy next week it should have 59 employees, compared with 47 when the group took over, and "by 1990, we'll be double our present

In spite of the experience with Euroratings, Fitch intended to have an international presence as part of its aim to be a full service ratings agency, although the first task was to sort out US operations and expand its domestic prod-uct range, Mr Evans said.

Stabilisation shown the red card

Norma Cohen examines one aspect of the insider trading laws

he International Primary Markets Association, the organisation representing new issue underwriters, says that stabilisation the time-honored practice of keeping a new security close to its issue price — would become illegal under the European Commission's proposed direc-tive on insider trading, if it were adopted in its current

To stabilise a security. underwriters buy or sell their own newly-issued stocks or bonds at prices around the initial offering level.
While in any other market

the practice would be viewed as manipulation of prices, prac-titioners and regulators have consistently taken the view that, for securities with no-trading history, it is a necessary activity.

Newly issued securities tend to have volatile price swings and stabilisation is seen as one way of instilling confidence in retail investors. Indeed, the UK's own Finan-cial Services Act specifically exempts stabilisation from the

category of practices that can be viewed as market manipula-Ipms and the Association of International Bond Dealers, a trade organisation of Eurobond houses, spent several months last year drafting rules under which stabilisation could be

exchanges. Those rules have been in effect since early 1989. Since stabilisation only

occurs during the so-called grey market period, before the securities have been paid for and delivered, its long-term

conducted legally on UK

At the heart of Ipma's fears lies the proposed directive's definition of inside information as that which has not been made public but, if it were, "would be likely to have a significant effect on the price of the transferable security or securities in question."

specific price in a stabilisation procedure hecomes inside information. The dilemma for underwriters is that if the information were to be disclosed it could have a material impact on the value of the securities, but ren-

der the price even more vola-

tile than it had been before.

But if the firm bought or sold securities without first disclo-

ers must simply announce at the launching of a new issue that they may stabilise prices if necessary. Furthermore, various Euro-At that rate, ipma officials say, an underwriter's mere pean governments, such as West Germany, routinely stabilise their own bonds during the initial issue period.

The EC directive includes a intention to purchase a certain volume of stocks or bonds at a specific exemption for mone-tary, exchange rate or national

debt management policies car-ried out by a sovereign state or its designees — presumably banks acting on its behalf. But Ipma officials argue that if governments are allowed to include in insider trading, why should that privilege be denied

sing its intentions it could be

found to violate the proposed EC directive forbidding inside

trading. Under UK laws, underwrit-

Ladbroke switch in terms jars institutions

By Andrew Freeman

MUTED NEW issue activity was overshadowed on the Euromarkets yesterday hy arguments among syndicate managers and investment institutions over the Ladbroke Eurosterling convertible issue launched on Wednesday hy Credit Suisse First Boston.

The deal traded strongly after launch, rising to a pre-mium at 100% before closing on Wednesday at 99% bid. However, several institutions, including leading UK insur-ance companies, reacted decisively to what they saw as unacceptabla final terms on the issus when they were informed yesterday morning. CSFB is understood to have bought bonds steadily in the market after naws filtered through that several of tha institutions had cancelled their subscriptions. CSFB had launched tha

INTERNATIONAL BONDS

£140m deal with an indicated coupon of 5% per cent and an indicated conversion premium of 18 per cent. Final terms saw the deal increased to £150m and the coupon cut to 5% per cent, both of which were judged as in line with normal

NEW INTERNATIONAL BOND ISSUES

100

102

163

126

1013

***Private placement. With equity warrants. \$Convertible. &Final terms. a) Coupon cut by ½% from indication, b) Coupon cut by ¼% from indication, c) Each DM5,000 band has 2 warrants to buy a total of 20 shares at DM223 each share, d) Non-callable. e) indicated put option 301/1/81 at 104½ to yield 2.365%. f) Put option fixed 51/3/82 at 104½ to yield 2.063%. g) Fungible with Ecut50m bond issued in March.

1990

1994

2/1 k IBJ lmL

24/112 BHF-Bank

15t/1 J.P. Morgan

Banque Paribas (Sulses) Bank Leu

(42)

154

123

75

market practice. However, some institutions objected to the increase of the conversion premium from 18 per cent to 21% per cent. One leading UK fund manager said: "This was not an approximate change --- after that change in the terms, we were no longer being offered the same stock." A CSFB official said there

had been tough negotiations with Ladbroke on Wednesday night after the massive oversubscription of the deal. It is understood the company requested the final adjustments and that CSFB was advising a lesser adjustment. CSFB was quoting the bonds

said the price had moved in line with Ladbroke shares, which fell slightly. The official said that support for the deal remained very strong and added that the change in the added that the change in the conversion premium meant very little in price terms.

Risewhere, J.P. Morgan was the lead manager of a Ptal5bn Matador deal for Eurofima. The five-year bonds came with a 12% per cent coupon and were quoted at 100.30 hid, inside fees amid good international demand.

Explore Rank was the lead

on a spread of 99% to 99% and

Hambros Bank was the lead manager of an A\$75m five-year deal for the State Electricity Commission of Victoria. The bonds were priced at 102 and came with a 15% per cent coupon. They were quoted at less 1% bid, inside underwriting

commissions of 2 per cent. The proceeds were unawapped. In Germany yesterday prices fell after the poor wholesale prices figures were released to end around % point lower on

A DM100m seven-year deal with equity warrants for Glunz international, the timber supplier, was brought by BHF-Bank with a 7 per cent coupon. The deal had a good reception notil the economic news, after which it fell to close at 124 bid. just inside underwriting fees of 2% per cent.

LONDON MARKET STATISTICS

RISES AND FALLS VESTERDAY

BOTTOWAY US DOLLARS

ECUa EIB(0)+

PESETAS

Kirin Erswery Co. 44
Final terms fixed on:
Nankal Elec, Railway(a) 44
Tyo Nissan Auto Sales(b) 44

AUSTRALIAN DOLLARS State Elec.Comm.Victoria

D-MARKS Giunz Int. Financefuj@

SWISS FRANCS Nimur Valve Co.(e) + +5 Tyo Nissan Auto Sis(1)++50

ST-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times. the institute of Actuaries and the Faculty of Actuaries

EQUITY	r GROUPS		Thurs	iday M	ay 11	1989		Wed May 10	Tue May	Mon May 8	Year ago (approx
& SUB-	SECTIONS			Est. Earnings	Gross Olv.	Est. P/E	rd adl.				-
	theses show number of per section	Index No.	Day's Change	Yield% (Max.)	Yield% (Act at (25%)	Ratio (Net)	xd ad). 1989 to date	Index No.	ladex No.	No.	index No.
	os (207)	953.92	-8.4	10.45	4.06	11.54	11.91	958.03	961.09	96L13	741.73
2 Building Mat	erlais (29)	1192.62	-0.6	12.97	4.29	10.15	17.57		1210.50		967.16
3 Contracting, 0	Construction (38)	1681.26	-0.5	13.32	4.17	9.83	28.37	1699.11		1717.99	
4 Electricals (10	0)	2822.55	-0.7	8.39	4.29	14.53	25.01		2878.79		2004.23
5] Electronics (3	0)	2183.35	-0.3	8.69	3.07	14.92	13.93		2197.76		
6 Mechanicai E	ngineering (54)	514.12	-6.4	10.21	3.98	12.03	7.37	\$16.41	514.75	513.03	387.38
	etal Forming (7)			14.14	5.51	7.99	0.43		5023		442.1
9 Motors (17)		317.19	-0.2	11.61	4.79	16.67	6.44		317.46		267.83
10 Other Industri	al Materials (22)	17222773	-0.5	9.43	4.25	12.67	24,98	1602.43 1201.79	1605.43	1693.93	1240.76
21 CUNSUMER 8	ROUP (185)	119/31	-4.4 -1.1	9.07	3.67 3.67	13.82	9.41		1208.95	1206.59	
22 Srewers and C	cturing (20)	103E 04	-0.1	9.76	4.96	12.90	11.32		1046.50	1848.23	887.5
25 Food Iwanura	g (15)	2142 42	+0.3	8.57	3.34	15.35	16.14		2173.68	2184.19	
27 Health and Ho	susehold (14)	2214 62	-0.7	6.48	2.54	17.37	14.41		2248.77	2257.42	
20 Laigues (33)		1635 07	-0.8	7.58	332	16.56	15.53		1649.83		
31 Packaging &	Paper (15)	574.73	-0.4	10.25	4.23	12.13	6.99	577.05	581.11	577.53	491.8
32 Publishing &	Printing (18)	2530 23	-0.5	9.23	4.56	13.55	43.67		3589.47	3568.58	3304.8
34 Stores (33)		791.53	+0.5	11.29	4.52	11.59	1.98	787.99	787.88	781.27	\$05.9
35 Textiles (15)	,,	524.67	-0.4	11.88	5.41	18.23	6.31				591.5
40 OTHER GROU	PS (95)	1087.96		10.05	4.12	12.09	9.05			1981.50	859.2
41 Agencies (18)	PS (95)	1329.00	+0.9	6.95	2.47	17.97		1517.45			1113.99
42 Chemicals (22	3	1227.53	-0.5	11.53	4.81	10.25	22.54	1233.68	1233.11	1231.30	987.020
43i Conglomerate	s (12)	1581.38	+8.5	9.34	4.46	11.86	5.37	1572.94	1575.81	1573.03	1157.5
45 Transport (1.3		2393.37	+0.1	8.28	3.60	15.67	20.16			2432.11	
47 Telephone Net	works (2)	1129.66	+0.3	10.48	4.19	12.41	0.09		1118.58	1111.17	942.3
	(28)	1457.45	-0.7	10.73	4.06	10.58		1467.70			1111.1
		1123,17	E.0	9.79	3.91	12.61	18.45	1126.27	1130.95		929.4
51 OII & Gas (13) <u></u>	1989.16	86469799	19.54	5,59	12.62	41.99		1999.21	1998.37	
	NOEX (500)		-0.2	9.09	4.12	12.61	13.02	1199.76	1204.92		
	ROUP (123)		-0.4	-	5.15	-	14.74	752.97	749.71	746.04	668.34
			-0.8	23.89	6.39	5.50	21.71	754.01	746.97	736.53	626.2
65 Insurance (Life	e) (8)	1064.48	-4.3	- 1	5.61	-	29.86				985.37
66 Insurance (Cor	nposite) (7)	594.93	-0.4	=	5.76		13.65	597.46	595.59	595.05	528.9
	ikersi (7)		-0.6	8.33	6.57	16.05	27.66	965.77	957.87	956.44	925.5
ob Merchant Bar	ıkş (11)	232./2	-0.5		4.53	21.26	5.70	334.37	334.30	334.20	341.9
70 Other Fire-	al (30)	272 04	-8.1 -0.4	5.97 9.87	2.73	12.81	6.77	1325.12 374.29	1328.76	1327.72 373.27	1165.81 378.04
70 Other Financi	<u> </u>	316.74			5,63		4.03		574.21		
71 Investment Tr	usts (72)	145.50	+0.2		2.79	11.69	0.37	1143.67	1143.18		858.97
ST Mining Fluar	ce (2) ers (8)	657.51	+8.6	9,52 10,24	3.91 5.17	11.07	10.45	653.73 1355.74	659.90	1341.53	475.65 1021.96
71 Overses Trad	NDEX (705)	1087.94	-0.2		4.24		13.35		1094.05		
TY ALL SHAKE	MUEA (/45)	_		-		-					914.70
		Index	Day's Change	Day's High (a)		May 10	May 9	Naay 8	May 5	May 4	Year
FT-SE 100 Si	ARE INDEXA	2110.6	-6.4	2118.3	2397.1	2117.8	2125.1	2119.6	2132.8	2117.0	1772.3

FIXED INTEREST					AVERAGE GROSS REDEMPTION YIELDS			Thu May 11	Wed May 10	Year ago (approx.)		
PRICE INDICE	s	Thu May 11	Day's change	Wed May 10	xd adj. today	xd adj. 1989 to date	1 2 2	Coupons 15	rears	9.69 9.26 9.07	9.69 9.26 9.07	8.84 9.18 9.06
1 5 years 2 5-15 ye 3 Over 15 4 Irredeer 5 All stoc	years years nables ks	117.94 133.21 144.45 167.44 130.98	+0.01 +0.03 +0.02 +0.03	130.94		4.41 4.62 5.92 6.10 4.70 1.36 1.28	11 12 13	Medium 5 Cospors 15 High 5 Coopons 15 Irredeemables	5yrs Over 5 yrs 5 yrs	10.72 9.70 9.26 10.84 9.91 9.44 9.87 3.56 3.58 2.66	10.72 9.70 9.26 10.84 9.91 9.43 9.07 3.55 3.58 2.65	9,27 9,41 9,21 9,37 9,55 9,26 9,05 2,59 3,76 1,69
8 A)l stoc 9 Dehenture		133.53 115.08		133.43 115.16	-	1.27 3.80	15	inflation rate 10% Debs & Loans	5 years 15 years	3.42 12.27 11.56	3.42 12.27 11.55	3.61 10.33 10.63
Prefere	ice	08.97	-0.13	89.08	-	2.05	17 18	Preference	25 years	19.21	10.19	19.68

	-	5 E-5	-			200					<u> </u>
8ritish i	Funds					Rises 52		Falls 29			Same 26
Corporat	tions, Di	Majajan	and For	elga Bono	5	313		413			26 34 848 358 57
Financia	al and Pr	operties			******	137		163			358
O)15			*****	*******************	*************	17		23			57
Plantations								24			105
Others						- 65		70		_	
Tot	als		***************************************			634		731		1	,560
		101		4 DI	CENT	16	27.5		_	_	<u> </u>
		LV	ILV	N Na	CEN.	10	30	E-0			
EQUI											
Name A	Paid Boog	1	397		9scit	Daving Prinz	+=	list De	les	Green Yield	FE.
PRIZ	40	2 54	Low		irrono 2729 est. 1.0p est.	Fine	·		Cord		late:
557 9100	F.P.	: 12	108	SAMBERRY S	roup 2129	125	+2	115 13.5 13.6	120	255	쌼
T	F.P.	: 65	6100	CUB Pacin	20p	6263		10.45 W-	16	20	誤
20	F.P.	- 610	5700	Do (1 89 D	N Res FFr15.	5850	-1 150	:	:		•
51,00	F.P.	. 2	113	Do Warran	3	140	-i +12	25	22	25	20
85 900 900 900 900 900 900 900 900 900 90	P	12 33 635 14 4 111 15 111	8	Observed G	roup Hidgs 5p	91		113 113 113 113	ü	14	223
-	19	- 17	100	Do. Wirts	Y	73	+3 +3		l - I	1	:
59	e.e.	- 5	1 2	Gartunder Va	ing lors, 10p	572	l	战为	-	9.4	:
1100	F.P.	21. Z.		(Green (J.)	, PTI. 14P	113		129	2.7 2.7	23	ii.
3175	F.P.	1 20	1 16	MB Gross	109	206	-1	W.	ł - I	27	14.1 16.2 10.4
\$47 T	F	- 50	460	Makes Gro	op 10c	460#	-10	85. 8.	3.7	간	63
1	F	- 10	56	Do. Warrant Skilskin Gro	s ()	を記録は多音を含むに必要に必要をある。 1995年の音を表示に必要をある。 1995年の音を表示にある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽をある。 1995年の音楽を表示を表示を表示を表示を表示を表示を表示を表示を表示を表示を表示を表示を表示を		Wal 35	45	29	6.7
£100	辞)	1 提	100	(OLD Group . Older Com. T	×.	恐		17.5		10.1	:
## \$100 \$100 \$100	F.	1 温	200	Do, Zero Con	pon Prf	105	7 45	M3	18	- 1	11.5
T	F.P.	300	200	Property Co	of London 50p	275 173	+15 -2		- 1	4.	
500 P	F.P. 19	15		QuiRoctal 5	4	146		6.0 12.0	74	39	120
盗	FFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFFF	- 500 - 181 - 100 - 100	景	in Green	-0	146	42	5.7 55.0 17.7 123.9	252121	4991171	諄
gir48	F.P.	- 89	13	Xtra-Vision	150	75	42	1023.9	25	ij	凯
			_								
	[- n-	_	XED	INTE	REST S	TOC	Ж.	<u> </u>	-	-	
Price	Amount Paid	Renerc	_	1989	1	Stock			Ck.	ricz	+17
180.44	149	Date	High	Low					┺-	£	L
100	1	6/6	1094 2094	2000	Dayer 7.25cc C	TY. CLERY.	Red P	j	1,2	賽	-J ₂
1000	F.P.	9/5 4/5	1010	906	Harolands 7 17 pc	(Het) Car	n Cay i	ed Pri	J''	45	
1991	開始。	:	100 H	1054 2550 14500 905 974 974	Do. 133 oc 23.	4.90	3.70		10	2 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	
****	F.P.	•	100	997	Bric. Assets 1st Dwyer 7.25pc C Gerlebhause 8.5 Harnbros 7 byc. H'wide Angilla 1 Do. 133 pc 25, Do. 4.25pt Inde Do. 13pc Bob J	4.5.90	CHT.		1	mi l	
									_		
			R	GHT	OFFE	RS					
Price	Part	Letest. Resear		989		Stock			Clos	2	+ 57
-	=	Date	High	Low	4-T-04-						_
b72	6	3/5	10pm 914pm 18	5/2000 7/2000 15	Apple into Base Sear Brand	I			87	900	
26	M		33,00	1400	Creaton 10p Ers Groep	102109	==		22	元	+4
17	F.P.	15/6	7000	- entre	- dot such 100 -				73	54 98 98	+2
152	M	100	12pm 16pm 309	10pm 13em 303	Caroliner Group : Helton Hidgs McLaughlin & H Dozena Coos.	7			14	麵	
8	F.P.	10/5	8000 12000	See	DORAGE COOS	Markey	_		8	908 908 908	
10 26 275 17 45 26 26 26 26 26 26 26 26 26 26 26 26 26	開発	:	197000	Sem Sem 105em 75em	Porter Deadburg Securior Errors Security Service	AUIV)_			197	pen pen	19 13
				/apm	Decring Serves	}			116	Den	+3
corer based Forcest, o	on Christer	on fell a	apital p A	marred divid	ettimates d DM and and yields la ased on previous aleri assualites ther official esti- iros, A Forecast, a figures, ¶ sua Reignospection, this market. § [divident	end yie	d extract	special	Date:	est, s
Prespectus eartilogs, 24	or other of Dividend	fical estim	ates for 1	189. L Estim	aler agreealised	dividend	THE R	ed pre bes	d ee li	Mest a	0002
prospectus do arospect	er other of	idal estin	ates for I	989/90. Q G	ross & Forecast	APPLICATION	dirid	end cores a	and pre	ratio	No.
क्रेक्ट रू सम्बद्धाः स	rights".	Introduct	tion. SPiac	ing price.ff	Reintroduction.	♦ issued	in cus	section w	th rec	19.00	ation.
	Le Third à	larket.		-			-			7	-
			RAF	ITIO	IAL OP	Tio	ie.				_
• Flr	at Deal	inas		Apr 24	Acorn,	Five	Oz	ke hrv	P	***	
● Las	t Deal	nos		May 12	: Medir	2CO. (Brid	Gend.	Arre	fla I	FIA
● Las	settle	aration	\$	Jul 27 Aug 7	Ming of	A Ald	, R	egento nio, N	198		mel
For ra	te ind.	cetions		end d	Tynda	ell Hi	das.	Crut	75.00	4	E-
London	Shar	Servi	ce		Lance	, 17172	9 J.	Cardi	9. k	mer.	7142.
CEILS	u BAN	Res.	TUSKE	r, Ken	Armet	ong	-95	p. Pub	s Ke	THE REAL PROPERTY.	are.

letion:		346			,	PUTI Bd		Eption			_	Jan		94 A12	Jan	Option			ALLS Aug	Her 3	PU Lay As	
uld types M(52)	420 460 500	24	28 14	38	7 25 60	13 52 63	16 33 65	Storehouse (*369*) :	140 160 180	16	20	23 15	27 22	10 23	13 26	Tesco. (*166) Option	140 160 180	28	34 16 5	37 20 9	1 15 15 1	1 2 6 3
ort, Aleman 204)	5 186 200 220	. 10	31 18 10	37 23	2 8 24	12 26	14	Trafalger (*382)	390		37	45 23	15 32	10 35	23 35	ASDA Grp. (*171.)	160 180	19 8	22 12	23 15	12 14 1	7 3
209)	200	14	24 12 6	26	7 18 38	20	12 24	ital Bhusts (*323)	350 350 360		37 19 10	43 25 15	25 50	11 23 51	25	(°195) Option	200	21 9	_	Dec 1	11 1 Say 54	5 3
614)	600	70 36	93	105	8 23 53	13 30	36	Unificier (*555) Ultranar	550 600 280	-	50 25 54	38	15	19 48	24 50	Vaal Reefs (*576) Option	60	D ₄	12 5 5 5.	Dec.	1 3 S	9 1
octs 286)	300	16	26 16	22	1112	14 24	17 26	(313)	300	30	40	51,34	23	12 28	16 30	Anstrad (*113)	180 110 120	91 ₆	22 15 10 2	23 19 14	2 5 11 1	4 7 5 1
P. 276) filish Stad	260 280	11	29 18 104	242 141	117	7g	17 75	Brit Acro	500	127	Aug 139	Nov 152	Hay	2	West 8	Parciays (*467)	420 460 500	54 18 3	66 35 14	74 43		5 6 2
87) 25	90 200	24	24 110	122	194	11 k 19 k 22	12 kg	CN251	500 550 600		97 59 28	112	212 2	17 10	27	Sive Circle (*551.)	500 550 600	58 24 7	78 44 23	92 58 36	17 2	10 1 16 3 18 5
957)	950 1900		77	90	15	67	52	(°342) BAT hids	360 390 500		12 6	23 14	20 49 14	28 52	以 多 15	(*179.)	160 180 200	22 54	23 9 1 24	26 3 %	h 21	
& Wire 518) Ess. Gold	460 500 1250	70 39 120	60 155	170	16 45	10 21 45	23.	(*537) STR	550 600	312	20	423	17	24	36,70	Otrons (*136.)	120	20 11 %	24	23 4	2	4 8 10
13150 .	1300	95 70	320	145	90	95 125	110	(*377)	360 390	48 18 12	34 16	842	1	1½ 6½ 19	14 24	Elano (*1346)	2300 1350	32 50	135 J	57	15 3 30 5	A 1
320)	500 330	207	25	242	25	12 23	7 15 28	Brit. Telecon (*270)		102	19 72 3	8	ij	16 36	20 20 27	Hander Sids. (*702.)	1400 650 700	25 25 22	75	97	8 2 30 4	7 8 2 2 0 4
rn. Unice 376)	390 360 390	57 33 15	40 22	2	. 1 6 18	13 26	16 25	Cashey Sch (*355)	. 330 360 390	26 34	42 20 82	交 又 17	18 37	15 30	20	#illisdown (*273.)	750 260 280	26 7	31 28 17	36 24	5 i	7 7 9 2
X.N. 379)	330 360 390	59 35 16	66 42 23	75 55	8½ 22	6 13 28	0 16 29	Galmess (*452.)	420 460	64	78	92	1	4	8	Londo (*277)	257 283	2½ 25 11	9 36 24	15 46	36 3 5 1 16 2 39 4	7.3 9.1
and Met. 557)	500 550 600	72 35	82 45 22	97 61 38	21 ₂ 15 45	21 48	10 25 53	EEC (*235)	220 240 260	5	25	39	26 -	11 20 44	18 77	Midland Bk (*337)	309 329 357	31 ₂	12	.38	39 4 6 1 22 2	3 4 4 2
1 212)	1150 1200 1250	102 65 40	127 90 67	157 127 100	1577 3	28 47 70	\$ 52 75	Marson (*196.)	160	36 16	4 10 21	. 9 - 20	4	10	31 42	R. Royce (°191') Sears	160 180 200	16 2 44 1	14	42 28 15	1 13 3 54 12 1	
95)	280	20 12	31, 22	43	4	15 20	14	LASMO (*459.)	403 441	14 59 23	8 77 50 24	90	1	181 ₂ ;	11	7317) THE	110 120 200	10 8½ 2½ 36		18	8 91	2 1
ogfisher 16 i	290 300 330	37 24 9	44 10 17	51 39 27	4 9 24	7 15	9 14 26	P. & O. (572)	479 650 700	23 24	-58	48 72	122	16 30 10 44	43	(1909) Thorn ENN	300 330 700	6 1	29 5½ 35	53	2 (6 1 24 2 14 2	8 3
foroise 74)	500 550 600	76 36 12	95	105	4 13 35	7 20 30	11	Pilidopian (*231.)	750 220 240	212 1 15 112 2	30 12 19	42 77	1 10	9 28	25	(*703) (*110)	750 100 110			18		2 :
nd Secur	550	40	60	72	11	30	16	Pleasey (*252.)	290 240 260	23	4 29 16	11 37 23	10	36 4 11	2237	Wellcome C466)	460 500 550	25	26	40	14 2 10 4 86 -	
& S 80)	160	21 64	27	37	25	38. 41 ₉	40 . Cle 12	Production (*181.)	150 150 200	22 3		103 52 17 0	20 1 22 21	24 5 21	% S1073	1900 219		E 1986 Jul 7 295	X P	22.00		<u>d</u> <u>A</u>
331	300 330 360	831	54 33 19		21 ₇ 12 33	7 18 35	10 21 37	Racel (*465.)	420 440 500	47 12 2	60 34 16	83		21. 7. 21.	23 14 27 48	1900 219 1950 170 2000 121 2050 75 2100 37 2150 17 2200 5	235 188 140 100 65 39 23	200 164 123 88 58 40 24	222 178 140 104 77	230	6 1 10 1 10 2	
ashery 35)	360 220 240	11 15 8	19 27 16	31 22	33 21 29	35 5	37 6 31	RYZ (522)	500 460 500 550	85 25 2	16 81 50 20	33	1.	43	-	2150 17	39 23 11	58 40 24	77 37 10	22 52 54 144	10 1 10 2 34 4 62 6 99 1 145 1	
ell Trans. 198)	360 390 420	23	57 31 17	65 44	7	5 15 31	7 17 22	Scot. & New (*297)	550 280 300	2 19 3		44 31	30 11 ₂	12 22 22 23	16 38 15 28	2250 1½ May 11 Total Calls 21,571 FT-SE index	Contra Pots 1	octs 31 0,244	.815 45 340	XO .		

The Financial Times proposes to publish this survey on: 7TH JUNE 1989 For a full editorial synopsis and advertisement details, please contact: Tim kingham on 01-873 3606 **FINANCIAL TIMES**

UK COMPANY NEWS

Oil production fall and squeeze on refining and marketing underpin differing results

Royal Dutch/Shell climbs 22.5% to £1.1bn

catq

itution

A STATE OF THE STA

TO MEE

THE ROYAL Datch/Shell this year, compared to 2196m by 55 per cent to £1.28bm. This figure includes gains from 22.5 per cent rise in first-quarter post-tax profits to £1.11bm the operating businesses, with of 1988, calculated on a current cost of supply basis. However the results were boosted strongly by gains from prop-erty sales amounting to £244m

Group yesterday reported a 22.5 per cent rise in first-quarter post-tax-profits to £1.11bn, compared to the first quarter the exception of chemicals. where they rose by 56 per cent to 2362m.

On a historic supply basis, used for official reporting pur-poses, Shell's net profits soured

crude and petroleum product prices during the quarter. Cur-rent cost calculations are gen-erally felt to provide a better guide to the oil company's underlying performance, which

is distorted by swings in the tion fell by 2 per cent to 1.78m value of inventory. Shell earnings per share rose from 9.1p to 14.1p.

First-quarter profits from oil exploration and production reached £293m, a decline of £84m which came in spite of the rise in crude prices during the quarter. Crude oil produc-

divestments, among which were the sale of its 15 per cent bolding in the Magnus field in

the North Sea and royalty interest sales at Prudhoe Bay. Capital expenditure came to

BP's group ratio of debt to debt plus equity at the end of

the first quarter stood at 49 per cent, compared with 37 per

cent at the year end, resulting from the purchase and cancel-lation of 790m ordinary BP shares from the KIO, although

ness, resulting in sharply higher earnings.
Shell's coal business turned

Shell'a cash flow declined

barrels a day, while natural gas sales declined by 6 per cent, largely because of the warmer European winter, to 6.93bn cu ft a day.

The decline in oil production

base because of a decline in the was small because the fall in UK production due to shuthirth rate. Hamleys, the London toydowns in the North Sea was largely offset by increases in Columbia, Syria, and Abu shop which which was sold to a US entrepreneur earlier this week, survived all this. Convulsion in the industry

Downstream profits slipped gave rise to the disappearance of many well-known toy manufacturers, a regrouping of the survivors, and a doubling in the volume of imports to about 70 per cent of the £1bu UK market last year. The retailing side made no of numerous badly on a corrent cost basis. from £364m to £171m. reflecting pressure on refining and marketing margins as prices for supplies of crude oil and oil products increased. Both margins and volumes rose in Shell's chemicals busi-

in net profits of £12m, com-pared to a loss of £14m a year earlier, while metals earnings rose from £15m to £41m. Corporate items showed a profit of £255m compared to a loss of

from £1.5hn to £1.2hn, while cash and short-term securities fell by £500m to £4.9bn.

side, made np of numerous independents, hardly thrived against this background. On the one hand, the stores' traditional suppliers disappeared; on the other, they faced increased increased competition from new entrants to the market like Woolworth and Argos, and latterly, discount players such as Toys 'R' Us from the US and Zodiac. in the midst of all this npheaval was Hamleys, the Regent Street toyshop. Despite changing hands four times in as many years (including the latest change of control) it remained the flagship of the industry, unique amid all other toyshops. The reasons were its

decade, the toy and

game industry was hit

by a debilitating combination of recession, manufacturing overcapacity, high interest

rates, radical new product lines and an erosion of the customer

of history. Under one of the owners, Sir Phil Harris of Harris Queen-sway, it sank into losses. Sir Phil realised that the Hamleys brand-name was underex-ploited, but his attempts to rectify this by expanding into pro-vincial UK cities failed. The stores were too small to carry the range of stock needed to make them properly differenti-ated from their down-market credited with pulling the store

size, it carries 28,000 items at any one time, its customer pro-

file (largely rich visitors from

overseas) and its 200-plus years



Duncan Chadwick: npmarket shops in Beverley Hills

The new owners intend to expand, too, but far more cau-tiously and selectively than Sir Phil during his two-year reign, from 1986 to 1988. In time, there will be expansion overseas but the main focus of management energies over the next few years will be on the London store.

Getting back to the basics

David Waller on the latest changes at Hamleys

Put together by the venture capital arm of Citicorp, the latest deal is more than a simple acquisition. It matches up the oldest name in the toys indus-try with some very modern financial engineering. It is nei-ther a straightforward buy-in or buy-out, but a combination of both.

From California comes Mr Duucau Chadwick, au Anglo-American businessman in his mid 30s who set up Creative Toys some years ago. His business does not exactly coustitute an empire. His two Intellitoy shops in the heart of Beverly Hills are decidedly upmarket, but enjoyed turnover of only \$3m last year, about oue-tenth the £18m at Hamleys. Also in on the deal is Mr Bob Brown and his colleagues at Hamleys. Mr Brown was appointed last summer when Mr James Gulliver took control

out of the provinces and bringing it back into the black.

The first aim of the management team, advised during the negotiations by J.O. Hambro

and Partners, the corporate finance boutique, is first to restore Hamleys to the levels of profitabilty enjoyed before the Harris Queensway diversi-They intend to do this by

restoring Hamley's commit-ment to the long-held principles which bave served to distinguish it from its rivals: namely, that it should sell as wide a range of product as pos-sible; it should offer a unique shopping experience and that it should not compete directly on price, rather by offering good value quality service and products.
In the first instance, the aim

is to tighten up margins through the implementation of US-style computer systems and by improving purchasing. The shop layout will be redesigned

The two Los Angeles stores will be reuamed Hamleys immediately. But, until the London store has responded to the treatment, further expansion will be limited to a select number of franchising arrangements in continental Europe and the Far East.

BP declines almost 7% in first quarter

PROFITS AFTER TAX On a current cost basis at British Petroleum fell by 6.6 per cent in the first quarter of the year, per share rose from 4.4p to in the first quarter of the year, on a year-on-year comparison, reflecting a squeeze in margins in refining and marketing. Although crude prices rose, this was offset by disruptions in production, higher taxation, and rising costs, writes Steven Butler.

By also yesterday declared its first quarterly dividend at 3.65p.

Per share rose from 4.4p to 10.3p.

In the upstream part of the upstream part of the profit rose from 2407m to 5478m, which included a pre-tax profit of £165m from the sale of a 15 per cent interest in the Magnus field in the North Sea. The average oil price during the period rose \$1.75 a barrel to \$17.45, compared to a year ago.

3.65p. On a historical cost basis, BP's net profits rose sharply. from 2263m to £608m reflecting gains from crude and product stock held in inventory during a period of rising prices: These amounted to £227m. Earnings per share rose from 4:40 to

year ago.

BP produced an average of 1.4m b/d during the quarter, down from 1.47m a year ago.
Gas sales rose to 1.9m cubic feet a day from 1.0m.

Refining and marketing profits fell from £140 a year ago to £134m, far below the £241m recorded in the fourth quarter

Chemicals, however, produced a record quarterly profit of £157m, compared to £136m

of £157m, compared to £136m the year before.

BP's nutrition business turned in a £10m profit, unchanged from the fourth quarter of 1988, although up from £3m a year ago. Coal produced an operating profit of £7m.

BP nearly doubled its cash flow during the period from £521m to £1,060m, including the proceeds from £368m of this was expected to fall to 40 per cent by the year end following disposal of BP minerals to RTZ.

Share prices relative to the FT-Actuaries Oil & Gas Index

Protesters taking legal advice Richard Donkin on the furore at Shell's agm

HE ANTI-APARTHEID Movement was vester-day taking legal advice on whether it could annul the business passed at the Shell annual meeting in London which broke up amid barracking by demonstrators protest-ing at the company a trading policy in South Africa.

The report and accounts were voted through in the uproar as about 60 anti-apartheid protestors with voting rights as Shell shareholders protested against a decision by Sir Peter Holmes, the Shell chairman, to end questions on South Africa and move to the remaining business. Mr Stuart Bell, a researcher

with the Anti-Apartheid Movement, claimed Sir Peter had ignored an attempt to have a poll taken on the decision. Mr Bell said that under articles of the company five or more shareholders had the right to demand a poll.

Shell last night said that the chairman had taken the steps "he thought fit" to determine the wishes of the meeting in It said all those present

whistles and shouting could clearly hear what was being proposed and what they were being asked to vote on. The company said it had no comment on alleged irregularities.

Earlier Sir Peter had delivered a strongly-worded defence of Shell policy in South Africa which demonstrated the comwhich demonstrated the company's sensitivity to the boy-cott on Shell products launched three years ago by a coalition of anti-apartheid

groups.

He described the campaign as "misconceived and mis-guided", pursuing a strategy increasingly rejected by the

black community. He said: "Shell has earned the respect and support of the black community as a comapertheid and to the creation of a fair and free post apertheid society." Sir Peter said there had been

recent instances when Shell as a tactic to protest at had been spontaneously mentioned by hlacks in South Africa to overseas visitors as the company that others should enulate. He said "It is abundantly clear therefore that had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that had been while the protest at the meeting had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that the protest at the meeting had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that the protest at the meeting had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that the protest at the meeting had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that the protest at the meeting had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that the protest at the meeting had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that had been when some shareholders had ripped up "Don't fire! Apartabundantly clear therefore that had been when some shareholders had ripped up "Don't fire!" had been when some shareholders had ripped up "Don't fire!" had been when some shareholders had been when

whistles and shouting could for vilification and attack have picked the wrong target in the eyes of the black community in South Africa."

A recent survey, he said, blacks in South Africa opposed economic sanctions and 74 per cent said foreign companies should stay in South Africa. 'It is an emphatic rejection of the disinvestment and boycott campaign followed by anti-apartheid activists around the world," said Sir Peter, Mr Bell said: "My only sur-

prise is that nearly 40 per cent of respondents supported sanc-tions considering that advocating sanctions or disinvestment is an imprisonable offence in South Africa, It is like asking people if they want to go to

Mr Bell said he was one of "approaching 100" anti-apart-heid campaigners who each possessed a single share in Shell as a tactic to protest at

"save perhaps those blowing "titles who law picked Shell "tors sang "We shall overcome". REMARKABLE CONTINUITY OF EXPANSION **IN THE YEAR TO 31 JANUARY 1989**

- o 46% growth in the profit before tax. Almost identical to the annual compound growth rate averaged over the previous
- o 1988/89 the seventh year of uninterrupted profit growth from £211,000 in 1982/83 to £2.6m in 1988/89. MIL's volume growth - twice that of the UK market research
- O Dividend per share increased by nearly 40% from 3.3p to 4.6p. - and still more than three times covered.
- o 1989/90 very good start with growth in UK contract bookings.
- o 1989/90 two newly acquired research companies coming on stream for the first time. Acquisitions secured with 57% for cash - from internal resources.

The detailed statistics were	1988/89 £'000	1987/88 £000	% increase
Turnover	17,338	14,163	+22.4%
Profit before tax	2,606	1,789	+45.7%
Profit after tax	1,644	1,316*	+24.9%*
Earnings per share	15.4p	13.0p*	+18.5%*
Dividends per share	4.6p	3.3p	+39.4%
* 1007/00 opinied a familiable tay ref	a due to the s	tilieation of ea	phetantial IIS

Major growth areas in the year were automobile research, UK health care research, business-to-business and financial markets

Rudolph W. Goldsmith, Chairman



MIL Research Group plc

A LEADING UK MARKET RESEARCH COMPANY

The above figures do not constitute a Full Financial Statement. Copies of the Report and Accounts for 1988/89 will be mailed to shareholders from 17 May 1989 and can be obtained from: The Secretary, MIL Research Group pic, 1 & 2 Berners Street, London W1P 3AG.

This advertisement has been approved by UBS Phillips and Draw Securities Limited, a member of TSA



As safe as BTR

Growth is the goal, profit the measure, security the result.



FOR YOUR COPY OF ETE'S 1988 ANNUAL REPORT & ACCOUNTS, WRITE TO SILVERTOWN HOUSE, VINCENT SQUARE, LONDON SWIP 2PL, OR PHONE 01-834 3848.

BOC

300

1987

performance of non-industrial gases – particularly nitrogen-based products used in the food freezing industry and

oxygens for anti-polintion

involved in negotiations with the US Justice Department to

arrange e deal whereby the

anti-trust bar on its proposed

\$171.5m (£101m) acquisition of UGI's industrial gases subsid-

Mr Giordano said that the deal may involve the exclusion

of around 20 per cent of the

iary can be lifted.

1988 1989

Interest charges of £30m hold BOC to £149.4m

By John Ridding

CONTINUED BUOYANT demand for both manufacturing and non-indostrial gases lifted operating profits at BOC Group, the gases and health-care company, by 15 per cent to £179.4m in the six months to the end of March. However, interest charges of

£30m resulting from the com-pany's heavy capital expendi-ture programme constrained profits at the pre-tax level to £149.4m, an 11 per cent rise, but around £3m lower than market expecta-

Turnover increased by 14 per cent to £1.3bn of which twothirds represented the core gas and related products division. Earnings per sbare were up from 19.19p to 21.58p and a second interim dividend of 8.3p is declared for a total of

16.6p. Mr Richard Giordano, chairman, said that demand for gases had been strong across its markets, improving profits in the division from £98.7m to £125m. He edded that "there is no evidence of a slackening in demand despite the recent moves in leading indica-

The Far East enjoyed particularly rapid growth and now accounts for around one-third of group turnover and slightly less in terms of profits. An extra 12 plants are being con-structed in the region to cater

In terms of products, Mr Giordano said that the big sur-prise this year has been the

Yorklyde, the Huddersfield-based cloth and rug manufacturer, lifted pre-

tax profits from £2.17m to

£2.33m in the year to end-Janu-

Turnover marginally improved to £8.48m (£8.05m),

and after tax of £812,336

(£741,970), earnings per 10p share worked through at 31.9p

The recommended final divi-

dend of 6.25p brings the total for the year to 9p (8.25p).

ary 1989.

Share price (pence)

beginning of the year — sel-dom springs surprises. But the City was caught off guard by the level of capital spending and interest payments and marked down pre-tax forecasts for the current year from a top Such adjustments bear no reflection on underlying trad-ing which continues to benefit from surprisingly strong gas markets. Towards the end of the year, this is likely to tall off, but if it does the effect will largely be offset by Glasrock's expected return to the black and the positive contribution provided by the integration of Spectramed and Viggo in the healthcare division. In the longer term the obvious worry is an economic slowdown which must affect BOC through its steel, motor and other industrial customers. However, the group is now far less vulnera-ble as a result of its developing healthcare division, expansion in the East and increased conribution from non-manufaciring gases. Assuming profits t the top of the range puts the

be reached within 30 to 45 days. The health care division continued to be constrained by losses at its Glasrock subsidiary which are "around a couple of million pounds on an
--

annual basis." However, the division as a whole saw profits improve from £39.8m to

6 COMMENT BOC - the company thet announces dividends at the

hares on a prospective multi-de of 10 - reasonable value iven their recent underperrmance and BOC's steady

Marginal rise	DIVIDENDS	ANNO	UNCE
at Yorklyde	Current	Date of	Corres -

	Current payment	Date of peyment	ponding	year	łast year
Assoc Paper IndaInt	2.75	July 3	2.75	-	8.8
BOC Groupfin	8.3☆	Aug 1	5.85	16.6	5.857
GrandMetint	6.75†	Oct 2	5.5	-	15
King & Shaxsonfin	6.75	-	6.75	9.25	9.25
MIL Researchfin	2.85	July 14	2.2	4.6	3.3
Seafield 🌩fin	0.2	•	nil	0.2	nil
UELfin	5.41	July 12	4.7	8	7
Venture Plant ∫	1.25	-	_	-	_
Warnford Invsfin	15	~	12	24	20
Yorklydefin	6.25	-	5.5	9	8.25
Dividends shown pence					

"Equivalent after allowing for scrip Issue, "On capital increased by rights and/or acquisition issues, SUSM stock, SSUnquoted stock, 4Third market, &Scrip option, †Dividend paydates altered, Comparable payment was 13.5p.

Pirish currency.

Corporate build 2.55%

By Nikki Tait

raiders

ASDA GROUP, Britain's fifth largest food retailer, said yes-terday that it had uncovered a 2.55 per cent stake built up by First City Financial Corpora-tion, a Vanconver-based investment company which is controlled by the Belzberg family, prominant Canadian-based takeover specialists and corporate raiders.

Asda stake

Asda shares rose 5½p to 172p after the announcement, to value the stores group at

As part of the current £1.73bn bid battle by the newly-formed Isosceles company for another UK food retailer, Gateway, Asda has agreed to purchase 62 Gateway superstores for just over £700m if

the offer is successful.

The proposed deal, however, has acted as a catalyst for hid speculation over the future of Asda itself – with names like Atlantic and Pacific, the US food chain where West Ger-man retailer Tengelmann has majority stake, mooted and there has been some heavy recent trading in its

Asda said yesterday that the FCFC stake came to light as a result of notices sent ont under section 212 of the Companies Act, which allows companies Act, which allows companies to discover the beneficial ownership of its shares.

It said that FCFC had started buying shortly before the Isosceles offer was announced, but the bulk had been purchased since then. It added that there had been

no contact with the new shareholder, but that the group was now "considering its tactics". First City itself said that it was not group policy to comment on its investments. However, the company - listed on the Toronto Stock, but with the Belzberg family holding 78 per cent of the shares - has been active in numerous corporate situations in the past, often taking stakes and then suggesting that a bid will fol-

In certain cases, the target company has then bought out the aggressor's stake, although in some cases a bid

Minorco's least favourite lawman

Roderick Oram profiles the man blocking the bid for Gold Fields

OWN IN the well-worn, marbled basement of the Federal courthouse in Manhattan, a low-paid clerk spins an old octagonal wooden box, lifts the lid, reaches in for a small manila envelope, opens it and pulls out a slip of paper

bearing e judge's name.
In this random, impartial fashion the latest case to hit the over-burdened New York court gets its judge. Back last October, a clerk plucked out the name Mukasey, assigning the judge to the case.

the name Mukasey, assigning the judge to the case on which hangs the biggest ever British takeover battle.

No one can question the legal propriety of Judge Michael Mukasey's injunction blocking, on anti-trust reasons, the £3.5m bid for Consolidated Gold Fields, the diversified UK mining group, by Minorco, the South African-controlled investment company. Minorco does not like the ruling but the New York appeals court has New York appeals court has upheld it.

But whatever the result of frantic manoeuvrings before the bid expires next Wednesday, several questions will long haunt both sides. What if the clerk had picked

another name? Who is this man on whom hangs a multi-billion pound deal and, perhaps, the future of the world's

one clue is Judge Mukasey's choice of hero. Atop shelves of bound law digests in his chambers sits a large tramed photo-

graph of Mr George Orwell. He is a particular idol of mine for his clear writing and complete disdain for cant," the judge says. "I try to recognise when some spongy abstraction

is trying to cover up an excuse for thought or analysis."

He aims this barb at they legal profession in general, not particularly at lawyers in the Gold Fields case on which be must refrain from comment-Nonetheless, his guiding

intellectual passion is serving him well in the case, judging by the clarity of his written opinions and the wry wit with which he peppers both sides' which he peppers both sides attorneys during hearings. When, for example, one apologised for using the phrase dawn-raid — "not a term I coined" — Judge Mukasey replied: "I'm sorry to have taxed you with melodrama."

The case is drawing a lot of

The case is drawing a lot of attention to Judge Mukasey, 47, who joined the bench 16 months ago. He had spent the previous 20 years as a lawyer in private practise, defending, for example, newspapers against libel suits, and in government service. Twice during the 1970s, he served as a federal prosecutor in Manhattan tackling corrupt politicians, civil servants and others. "The



Judge Mukasey - does the gold industry depend on him?

great promise as a public servant – and he didn't take himself too seriously," says Mr Whitney North Seymour Jr, his boss at the time as the region's

US Attorney.

Born in the Bronx, he was an undergraduate at Columbia and earned his law degree at Yale. During university breaks he worked as a news agency reporter for UPI in Newark covering the ills of the bombed-out New Jersey city. Ti was good practice in writ-ing fast and making things comprehensible."

His old burean chief works one floor below him in the court house in a press room which, computer terminals

nents. In 1986, it bought AE, one of Europe's biggest piston makers, after a bitterly con-

tested battle. T&N spent more than £50m on acquisitions last

year. Sir Francis said yester-

aside, looks straight out of The aside, looks straight out of The Front Page. "He would have made a terrific journalist." says Mr Alex Michelini. "At least it would have been a more legitimate calling." The lot of a federal judge is a hard one. Judge Mukasey says his docket is packed with "a few hundred" civil cases and some 15 to 20 criminal cases, a load typical of the 25 judges on the bench. His staff consists only of two law clerks, one

the bench. His staff consists only of two law clerks, one court-room deputy and one secretary. His office days run 12 hours or so followed by much more reading and writing at home. Apart from a few long weekends, his only time so far away from the court house was a two-week economic seminar a two-week economic seminar

for judges. Grave danger also lurks. Air-port-style metal detectors and X-ray machines guard the court-house entrance. One of Judge Mukasey's colleagues, Judge Richard Daronco, was shot dead at home last May. His assailant, who committed suicide, was an ex-policeman whose daughter had just lost a seven-year sex discrimination

If Minorco, the Oppenhei-mers and De Beers feel out of place before a judge in the front line of New York's urban war, they should consider he is no stranger to issues of inter-national commerce. One case before him involves a boat-load of bananas that rotted en route from Ecuador to Marseilles.

Tombs to leave T&N chair

By Nick Garnett

SIR FRANCIS Tombs is to retire as chairman of T&N, the engineering group, in November. Str Francis, who turns 65 next week, will be succeeded by Mr Colin Hope, managing direct of the mount for the mount for the mount of the mount for the mount f director of the group, formerly Turner & Newall,

The announcement was made at T&N's annual meeting. Sir Francis said that he would continuing as chairman of Rolls-Royce, the aero engine and power station equipment group. No date had even been pencilled in for retirement

from that job, he added. Sir Francis, who was asked by the Bank of England to take over the chairmanship of T&N seven years ago, said he was "overcommitted" with appoint-

Apart from Rolls-Royce, he is chairman of the Government's chairman of the Government's advisory council on science and technology and is on the boards of Shell and Rothschild, the merchant bank. He said he was leaving T&N when it no longer needed him. It had a good menegarent team and

good management team and was firing on all cylinders."
In 1988, T&N lifted pre-tax profits by 18 per cent to £91.3m on turnover up 9 per cent at During his period at T&N, the group has moved away from its roots in asbestos, which eventually became a

costly achilles heel and has

built up its other businesses, in

particular automotive compo-

day that T&N would see some "snbstantial" developments over the next year, indicating these would involve further. acquisitions and moves into new products.

The group, which includes the Ferodo brake lining business, announced at yesterday's meeting a joint venture with Japan Brake Industries in the US. The two companies are setting up an operation to manu-

facture automotive friction materials at T&N's existing

site at Smithville, Tennessee.

Carlton Comm sells part of Technicolor

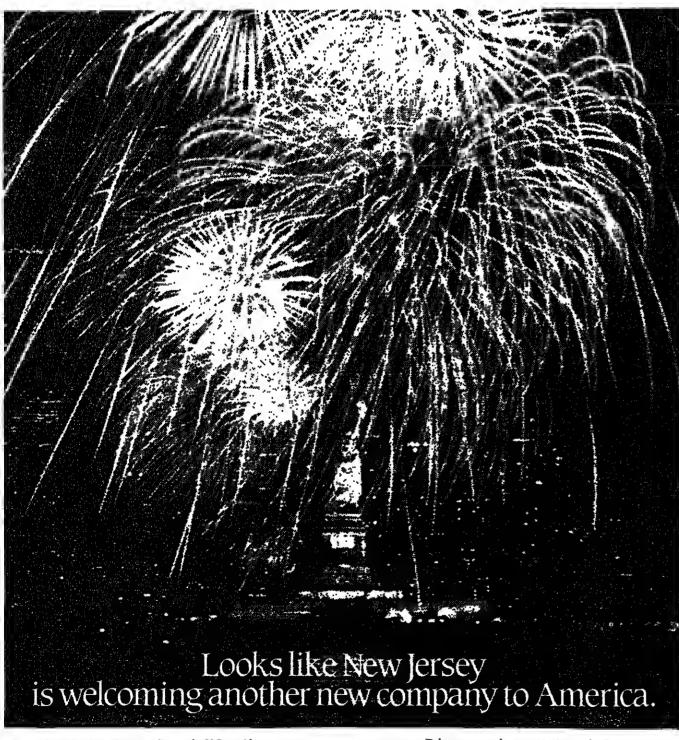
By Clay Harris

Carlton Communications, the television services company, is negotiating to sell the film processing interests of its US-based Technicolor subsidiary. The most likely buyer is Rank Organisation.

A price in the region of

\$300m (£180m) is being dis-cussed, compared with the \$780m Carlton paid for Techni-color last October.

Cariton, which declined to comment yesterday, had always been interested primar-ily in Technicolor's video duplication business, which accounts for about two-thirds of the subsidiary's turnover.



If your business is expanding to the U.S., we'd like to welcome you to everything our location has to offer. Including immediate access to America's major financial and commercial markets. A superior motorway, shipping and air transportation network. A highly educated workforce, with more scientists per capita than any other state. All backed by an enviable quality of life and state government dedicated to supporting international growth.

To learn more, please contact us at the Grosvenor House Hotel from May 15 to May 17. Or staple your business card to this ad and mail to Pete: Begans, Deputy Director, New Jersey Division of International trade, Four Gateway Center, 10th floor, 100 Mulberry St., Newark, NJ 07102-4006, USA. Phone: (201) 648-3518. lelefax (201) 623-1267. We'll not only welcome you to America.

We'll help you succeed here.



ASTURIANA DE ZINC, S.A.

Main 1988 data

(Approved by the General Shareholder's Meeting)

:	Million ptas.	Million US\$		Million ptas.	Million US\$
Turnover	35.979	312,86	Equity	13.990	121,65
Cash Flow	10.223	88,89	Medium & long term	198	1,72
Net Profit	6.312	-54,88	external funds]	

Net dividend (1988): 20% of capital.

Increase in capital, 1 x 10 free issue.

Other significant data

PRODUCTS

Zincmineral: 165.305 Tm. Zincmetal: 219.669 Tm. Other: cadmium, mercury,

WORLD MARKET SHARES Zinc:

Cadmium: Germanium: 10% sulfuric acid, copper, Mercury: sulfurous anhydride...

1.860 employees at the end of 1988.

Investment projects

- Broadening of output capacity of zinc from 220.000 Tm. to 320.000 Tm.
- New mining stakes & gold exploration. Investment (estimate for the period 1989-1991):

- In capacity: 12.000 M. ptas. (104,34 M. US \$). Other investments: 5.500 M. ptas. (47,82 M. US \$).

Worldwide, we're now the eighth largest food manufacturer....

we've the second largest number of retailing outlets....

and we're number one in wines and spirits.

Three cheers!

*excluding Japan and the Communist Bloc.

Half-Year Results to 31st March 1989 (unaudited)

Profit before tax

up 30% to £301m

Earnings per share

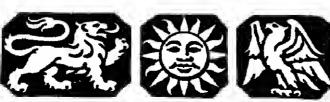
up 24%

Dividend per share

up 23%

GRAND METROPOLITAN

.adding value



Grand Metropolitan PLC, 11-12 Hanover Square, London W1A 1DP.

General Accident

THREE MONTHS' RESULTS

The results for the three months ended 31st March 1989, estimated and unaudited, are compared below with those for the similar period in 1988, which are restated at 31st December 1988 rates of exchange; also shown are the actual results for the full year 1988.

It must be emphasised that the results for an interim period do not usually provide e reliable indication of those for the full year

Descriptor Language	3 Months to 31.3.89 Estimate £ millions	3 Months to 31.3.88 Estimate £ millions	1988 Year Actual £ millions
Premium Income Geoeral Business Long Term Business	696.1 87.8	593.6 55.9	2,554.1 292.5
•	783.9	649.5	2,846.6
Investment Income	96.4 (15.8)	77.3	353.9 (16.9)
Geoeral Business Result Long Term Business Profits	(19.8)	(21.1)	(32.8) 14.0
Less Interest on Loans	65.5 10.0	59.7 1.1	318.2 20.3
Less UK Employee Profit Sharing Scheme	55.5	58.6	297.9· 7.6
Profit hefore Taxation	55.5 15.5	58.6 14.1	290.3 76.5
Profit after Taxatino	40.0	44.5	213.8
Preference Dividends	(4.5)	1.1	(0.7)
Nct Profit attributable to Shareholders	44.5	43.4	214.5
Earnings per Ordinary Share	21.20	22.7p	107.6p
Principal exchange rates used in translating overseas results			
U.S.A. Canada	\$1.69 \$2.02	\$1.81 \$2.15	\$1.81 \$2.15

(1) The above figures include the results of the NZI Corporation Limited from the date of acquisition 26th July 1988. These results have been presented on a General Accident basis and are not indicative of the results to be published by NZI on 16th June 1989.

(2) The NZI Bank result includes gains and losses both realised and unrealised on investments held for trading purposes.

(3) Investment income excludes £3.0m (1988 £2.5m) representing amortisation of

U.S. deep discount bonds which under the USA accounting conventions would be credited to earnings.

ANALYSIS BY TERRITORY OF GENERAL BUSINESS PREMIUM INCOME AND UNDERWRITING RESULT

	3 mouths to 31.3.89		3 mont	hs to 31.3.88
UK U.S.A. EEC other than UK Canada Pacific Basin Other Overseas	Premium Income £m 249.5 207.6 43.8 74.6 73.6 25.6	Underwriting Result Sin 10.2 (17.5) (2.9) (5.1) (4.2) 1.0	Premium Income £m 224.8 205.1 39.4 65.3 14.9 19.6	Underwriting Result £m (2.0) (14.5) (4.3) (1.8) (0.2) 0.9
Lendon Market business incl. internal reins.	21.4 696.1	(1.3)	24.5 593.6	(21.1)

Net written premiums and investment income increased in sterling terms by 17.3% and 24.7% respectively. Adjusted to exclude the effects of currency fluctuations, the increases were 13.2% and 16.7% respectively.

In the United Kingdom, net written premiums were £249.5m (1988 £224.8m); there was an underwriting profit of £10.2m (1988 £2.0m loss). The Motor account benefited from the effect of previous rating action and a slight improvement in claims frequency to show a profit of £1.2m (1988 £2.5m loss). A continued reduction in extreme weather claims was a feature of the Homeowners and Commercial Property accounts which reported profits of £3.5m (1988 £1.0m profit) and £3.7m (1988 £4.1m profit) respectively. Experience in the Liability accounts, where there was some reserve strengthening, remains adverse.

In the United States, net written premiums were \$350.7m (1988 \$371.2m) and the operating ratio was 108.18% as compared with 106.55% for the same period last year. On the United Kingdom accounting basis, the underwriting loss was £17.5m (1988 £14.5m loss). There was improvement in Personal lines but Commercial line results showed some deterioration.

Elsewhere there were aggregate underwriting losses of £12.5m (1988 £4.6m loss). Results from most major territories were satisfactory although there was some deterioration in Canada due principally to the Commercial Auto

New annual premiums for life business in the United Kingdom for the three months were £11.1m (1988 £9.2m) and single premiums £5.3m (1988 £6.9m).

General Accident Fire and Life Assurance Corporation plc. World Headquarters: Pitheaviis, Perth, Scotland PH2 0NH.

INDEPENDENT MARKET RESEARCH CONSULTANTS

This leading international business information company is currently seeking independent consultants to research and prepare reports on the European market for a wide range of specific electrical, mechanical and process engineering products and components.

Continuing assignments will be available for applicants with focused product knowledge together with experience of industrial market research in the main EEC countries.

Please apply in writing to: Box No. 1233 Financial Times 1 Southwark Bridge London SE1 9HL

WARRANTS SANKYO ALUMINIUM INDUSTRY CO., LTD. U.S. \$40,000,000 3% per cent. Guaranteed Bonds Due 1991

To the Holders of.

U.S. \$70,000,000

3½ per cent. Guaranteed Bonds Due 1992

NOTICE OF FREE DISTRIBUTION OF SHARES AND ADJUSTMENT OF SUBSCRIPTION PRICE

You are hereby notified that the Board of Directors of Sankyo Aluminium Iodustry Co... Ltd. (the "Company") passed a resolution of April 25, 1889, authorizing a free distribution of Shares of the Company on July 1, 1989, at the rate of 0.2 Share for each one Share held. The record date for the free distribution is May 31, 1989 (Japan Time).

As a result of such distribution, the Subscription Price at which shares are issuable upon exercise of the Warrants will be adjusted pursuant to Coodition 7 of the Warrants. As from June 1, 1989 (Japan Time), the Subscription Price of the U.S. \$40,000,000 Bonds with Warrants will be adjusted from Yen 586.40 to Yen 488.70 and the Subscription Price of the U.S. \$70,000,000 Bonds with Warrants will be adjusted from Yeo 889.00 to Yen 724.20.

The Industrial Bank of Japan Trust Company nn behalf of

Sankyo Aluminium Industry Co., Ltd. Dated: May 12, 1989

UK COMPANY NEWS

Eruption of problems for Ketson

By Andrew Hill

THE INTERNAL problems at Ketson, which is facing a hos-tile consortium hid, erupted in resignations and a boardroom split yesterday after the mar-keting and public reletions greup announced a radical restructuring of its finances.

Trading insses throughout Ketson, but particularly at Moorgate, the financial marketing and PR company bought last summer, have driven Ketson's shareholders' funds \$5.45m into the red. Its debt has increased from \$1.24m to has increased from 21.34m to £5.24m, hreaking berrowing

limits.
Under pressure from its bankers, Ketson now wants to raise f5m through a share plac-ing, men to existing sharehold-ers on the basis of three new shares for every one held, at

10p a share. Ketson shares, which were suspended pending the refinancing details nn April 25, emerged from the freeze and fell 4p to 15p, capitalising the group at £2.8m, a tenth of its value when the shares peaked befere the October 1987 stock

Mr Rupert Stanhury, whe became Keison's finance directer last November, eaid: Clearly we have got to refinance; we have got to ensure the survival of this husiness." The restructuring is epposed

by Ketson's deputy chairman, Mr Jeremy Bond, the founder, former chairmen and chief executive of Moorgate, whe described the share placing as "rape and pillage" of existing shareholders.

Mr John Knnx, Ketson's

as a scapegoat. Mr Walter Dickson, Ketson's

The anneuncements drew

tile bidder, a consortium consisting of Mr Andrew Greystoke's City and Westminster Financial, Summer International, the training and educa-tion company, and Broad Street Group, the PR, advertis-ing end marketing consul-

"Our basic view is that there are two scenarios at Moorgate: either they (Ketson) screwed it up by buying it, nr they screwed it up in managing it" — Andrew Greystoke, chairman of City and Westminster Financial.

managing director at the time of the Moorgate acquisition, has resigned from the board, hut Mr Bond has refused to do so, despite being sacked as en empleyee. A preposal to remove him as a director will be put to shareholders at the same extraordinary general same extraordinary general meeting being arranged to epprove the refinancing plans. Mr Bond said he had been used

chairman and architect of its growth from a shell company in 1987, has become chief exec-

strong criticism from the hos-

Mr Greystoke said: "Onr

basic view is that there are two scenarios at Moorgate: either they (Ketson) screwed it up hy buying it, in they screwed it up in managing it."

He said the trading results,

though much worse than the consortium had expected, had not shaken its resolve to buy Ketson, which is unlikely to consider any offer until after the ECM the EGM. The thing that continues to astonish us is that even with

these catastrephic results under their belt they weren't prepared to talk to us," he said yesterday.

Any bid would involve the establishment of a new company to buy Ketson. Moorgate

would be sold to Broad Street, which first expressed an interest in the group 18 months ago, and Summer International, which is 29.5 per cent-owned by City and Westminster, would buy IFTC, Ketsnn's

weuld buy iETC, ketsun straining consultancy.
Moorgate lost \$2.26m before tax in 1988, compared with profits of £416,348 in the previous year. Ketson said the extent of the problems—caused hy low sales, poor reporting systems and an inappropriate cost structure—and emerged fully in January of emerged fully in January of

this year.

The PR company was included for three and a half months, but losses of £878,000 months, but losses of £878,000 at existing businesses meant Ketson as a whole was still in the red in the year to December 31, losing £960,000 before tax againsts profits of £494,000 in 1987. The loss per share was 7.8p, compared with earnings of 3.8p.

Ketson said its balance sheet had been hit by total trading losses of £3.14m for all group companies, reorganisation and

companies, reorganisation and rationalisation costs of £2.07m, and other write-offs — mostly goodwill — ef £1.13m. About £4.53m of that was directly attributable to Moorgate.

Evode pulls ahead in battle for Chamberlain

By Clay Harris

EVODE pulled ahead yesterday in the final stretch of the two-korse race fer Chamberlain Phipps.

It was still not clear last night, however, whether either Evode or its rival. Bowater Industries, would gain enough support to secure the shoe cemponents and adhesives group before today's deadline.

Evode's all-share nifer has the backing of the Chamberlain board, and it said a late flurry of acceptances had raised the total owned or tendered to 41.1 per cent by itam yesterday and that it was still counting. The latest comparable total for Bowater's cash hid was 29.2 per cent.

bid was 29.2 per cent.

Bowater yesterday empha-sised that it did not intend to be a long-term holder of Evode shares if its rival wan, and thus would dispose of them as soon as practicable if a price close to the current market price rould be abtained.

Evode interpreted this as an effort to depress the value of its shares but they remained stendy at 190p, valuing Chamberlain at 237p, against a unchanged market price of 223p. Bowater is offering 230p in cash.

Neither bidder has spelt out what it would do if both offers fell short of 50 per cent at 1pm today. Such a situation is not believed to have arisen in a UK takeover bid since June 1986 when rival bidders fer the Country Gentlemen's Asso-ciation finished with 49.28 per cent and 46.2 per cent. Because of exceptional cir-

cumstances in that case, the Takeover Panel allewed a two-week extension, during which ene side won. Nermally under the Takeover Code, both offers would lapse and neither company would be allowed to bid again for a year.

European Leisure cuts Edenderry links

By John Ridding

EUROPEAN LEISURE, the night clubs and leisure group headed by Mr Michael Ward, the cerperate financier, is finally cutting its remaining links with Edenderry Shees, the Irish shoemaker which provided its path to the stock mar-

The company is to sell Eden-derry to management for 12500,000 (£420,000). Inter-company debts of IEL2m will also be written off. The shoe business has been in decline for a number of years and in the

GEEST, the fresh produce and

prepared foods group best

known for its banana import business, has bought a US

manufacturer of chilled pre-

pared salads for up to \$17.1m (£10.3m) in cash. It is the UK

group's first major expansion

PLATON INTERNATIONAL.

the troubled USM-quoted mea-surement, control and informa-

tion technology group, yester-day anneunced the sale of loss-making Dicoll Electronics

DEL, together with its 90 per cent interest in its DDL subsid-

iary, has been sold to Yearbest, a private company controlled by Mr Brian Collier.

Mr Collier was joint manag-

ing director of Platon until his resignation in February, for which he received \$50,000 in

compensation.

The DEL group made a loss

Allied Insurance

Shares in Allied Insurance

Brokers Group jumped 39p to 135p yesterday after Mr Nigel

Cayzer and Mr Rupert Galllers-Pratt were appointed te the board. At the closing price,

the USM-queted insurance bro-

ker has a market value ef

The two men, who are hrothers, own a total of 8 per cent ef Allied's shares,

buying their latest 6.9 per cent tranche last Friday at 82p.

shares jump on

appointments

By Vanessa Houlder

for £1.

Platon disposes of loss

maker Dicoll Electronics

By Andrew Hill

year to the end of June 1988 reported pre-tax lesses ef 1560,000. Net assets at this time were I£945,000.

At the same time European Leisure announced the acquisi-tion of a further three night clubs. It will pay approxi-mately £3.13m in cash and shares fer two Mr G's night-clubs in Aberdeen and Inverness and £2,25m, also in cash and shares, for Fallows night club in Liverpool.

Mr Ward said the acquisi-

tions weuld "reinforce the

Geest gains foothold in the US

into the fragmented US pre-pared salad market.

An initial payment of \$13.1m for Manor Hill Food Corpora-tion, which is based in Balti-more, Maryland, could be fol-lowed up with a maximum of \$4m in 1990 and 1992

befere greup charges of £432,000 in the year to March 1989, when it had not tangible assets of £62,000 and an over-

Platen has subscribed for 100,000 preference shares of £1 to assist Yearbest's werking

capital requirements. It has alse provided a £50,000 unse-cured bank guarantee until March 1990. Platon said that

after the dispesal of DEL it would focus its development on its core instrumentation

end measurement technology

Warnford rises

Taxable profits at Warnford

Taxable profits at Warnford investments, a property investment group, expanded 27 percent to £6.44m in the year to December 25 1988. Turnover advanced 16 per cent to £9.46m. A proposed final dividend ef 15p makes a total 4p higher at 24p and is payeble from earnings of 43.27p (34p) per 20p share.

Directers alse propesed a sub-division of exisiting shares

into 5p shares and an increase in the authorised share capital from £2m to £2.5m by the can-

cellation of the deferred erdinary class and the creation of an additional 12.8m new ordi-

King & Shaxson

Kiog & Shaxsnn Holdings announced a drop in profits for the year to April 30. After rebate, taxation and transfer to

contingencies reserve they fell from 21.75m to 21.7m. The final divideod is maintained at 8.75p

for an unchanged total of 9.25p

Electronic Industries fell 22p to 221p after Mr Jehn Jeckson,

chairman, told sbareholders that the board viewed the out-

look for the first half of 1989 With some caution. At the annual meeting he maintained

that although the group was

well en its way towards its strategic objectives, there was still much to be done to

achieve what the company

believes possible.

in Cambridge

CEI shares fall

profits dip

27% and lifts

dividend 4p

draft of £322,000.

company's developing network of high quality nightclubs and will benefit from being part of a larger, well-managed group." He added: "The release of trade from an unprofitable funds from an unprofitable mature sector to the fast grow-

ing leisure sector will materially benefit the company."

The Mr G's discos, which have net assets of £2.84m, incurred a pre-tax loss of £41,000 for the year to March 31. Consideration for the acquisitien will include £525,000 from the issue of new shares.

tax in 1939. If average pre-tax profits exceed \$3.4m in the three years to December 31 1991, they will receive a further

1988, Manor Hill made \$1.9m

befere tax on turnover of \$14.1m. The net assets of the

company at completion of the

deal are expected to be

Geest claims to be the market leader in the UK chilled

prepared salads market. The

group said yesterday it hoped to use Manor Hill as a way into the US market, which it esti-mates is worth about \$700m

ennually and is grewing at about 25 per cent a year.

\$1.3m.

Fallews Night Club has net tangible assets of £774,000 and profits before interest and tax were £23,101 for the six months to end-March. Since Mr Ward bought into

Edenderry by means of a rights issue in July 1987, the company has made three sizeable leisure acquisitions - Lanton Leisure, fer £10.25m, Camden Palace, for £9.5m, and Mr Michael Quadrini's disco interests for £6.5m. The new additions mean

that the group now controls 28 discotheques and 14 pubs. **OTT** in £27m German

shipping acquisition Manor Hill's vendors will earn up to \$1m if the company makes more than \$2.5m before By Kevin Brown, Transport Correspondent

Trading yesterday announced the purchase for \$45m (£26.9m) of OSA Marine Services and a fleet of 50 offshore support ves-sels from VTG, the transport subsidiary of Preussag, of West Germany.

\$3m and three executive directors at the US group will earn bonuses of up to \$3.3m. The acquisition is a further step in Ocean's move away from deep sea container ship-In the year to December 31 ping towards the fast growing distribution and industrial ser-

vices sectors.

Ocean plans to combine the OSA fleet with the 45 offshore support vessels operated by its subsidiary OIL in the North Sea and West African produc-tion fields. The combined fleet will be the largest in Europe, and the third largest in the

world. The OSA fleet is currently employed in support of a wide range of offshore production

OCEAN TRANSPORT & and exploration projects in the

North Sea, West Africa, South America, the Middle East and South East Asia.

Mr Nicholas Barber, chief executive of Ocean, said OIL had been a major contributor to the strong profits growth of Ocean's marine services businesses over the past two

"It has out-perfermed the market both financially and in the quality of its service. The acquisition of OSA, with its high operational standards, further strengthens enr offshore husiness," he

Ocean's marine services division made a trading profit of £10.2m last year on turnover of £61.6m. The group made a pre-tax profit of £38.5m, down from £41.2m in the previous

vear.

à

This announcement appears as a matter of record only.



THE SUMMIT GROUP PLC

£17,000,000

Private Placing of Preference Shares with Warrants and Ordinary Shares.



The following participated in the placing:

The ECI Funds

Eagle Star

Gartmore Venture Capital

Murray Johnstone Funds Prolific Asset Management

IFM Trading Ltd

The Summit Group plc is an associate company of The General Electric Company plc and British & Commonwealth Holdings PLC.

March 1989

UK COMPANY NEWS

Assoc Paper shares hit by Change slump in profits to £1m

ode pull

amberlah

tad in

ASSOCIATED PAPER Industries yesterday announced that its pretax profits had slumped from profits had slumped from \$3.12m to £1.0m for the six months to April I. This resulted from a decline in all its operating areas which include paper, stamping folls and air conditioning.

The announcement, which followed a profits warning in February, sent the shares down from 225p to 219n.

down from 235p to 219p. Mr Charles Rawlinson, chair-

man, said it had been a difficult half year, characterised by

cult half year, characterised by falling volumes and margins. In the short term margins were still under pressure but the outlook had improved, he said. Mr Adrian Missenden, who took over as group managing director on April 1, said the group had embarked on a strategic review with the help of ontside consultants. It intended to move from being production-led to being amarketing-led business, which would improve its service through closer attention to the needs of its ultimate customneeds of its ultimate custom-

Group turnover for the half year fell by some £3.5m to £29.78m. Profits in the paper-making, paper and film converting division fell from £2.41m to £1.65m on a decline



in turnover from £23,43m to 222.14m. This was partly due to a loss of market abare, after a prolonged machine breakdown and falling demand for brown

and falling demand for brown envelope papers.

The stamping foll division reduced profits from £911,000 to £408,000 after volume and margin, erosion at its. Whiley business. Capital expenditure of £4m is being made in the division. The air conditioning, purification saw profits fall from £387,000 to £227,000 after a dip in orders at its purification in orders at its purification products company. the Interest charges cost fall.

£411,000, compared with a gain of £71,000 last year, when it benefited from an exceptional currency gain of £395,000. An extraordinary loss of

22.42m resulted from group reorganisation costs, mainly stemming from the closure of its Bollington plant. Earnings per share fell from 9.7p to 3.3p. The dividend was unchanged at 2.75p per share.

Although it may not be obvi-

ous from these dismal results,

API could have a promising future. Despite the current iull in its business, they have good prospects since companies are expected to spend more on promotional packaging to dif-ferentiate their products. API has invested well in capacity and, if it improves it marketing skills, it should be to exploit these growing opportunities. The ontstanding question, though, is whether a predator will step in at this point or whether the new managing director who has been greeted with cautious enthusiasm will be allowed to get on with the task. If API makes pre-tax prof-its of £3.5m this year, the rat-ing is a lofty 20. Unless takeover speculation starts to bite, the shares may have further to

of emphasis at Hambro **Country**

By Philip Coggan

HAMBRO COUNTRYWIDE. the estate agency and financial services group, has secured two tled agency agreements for its financial services sub-sidiary, Hambro Guardian, as part of its attempt to diversify from its dependence on the depressed residential property

market.

Keywest Insurance Brokers, part of the MAI, the money broking and media group, and Unity Mortgages, part of the Unity Trust group which provides services to trade unionists. here agreed to become ists, have agreed to become appointed representatives of Hambro Guardian.

The company, which recently reported a 14.5 per cent fall in 1988 pre-tax prof-its, has also acquired Hambro Legal Protection, a legal expensas insurer for HLP promotes various cate-gories of commercial and per-

sonal legal expenses insurance through independent insur-ance intermediaries. Hambro Countrywide estimates that its non-estate agency husinesses will provide

year and 20 per cent in 1990.

GGT expands in the US and makes £12m cash call

OPERATIONS IN the US will account for nearly a quarter of Gold Greenless Trott's total revenues following the UK advertising agency's purchase of Martin-Williams, a Minnea-polis agency, for an initial \$11m (£6.61m) in cash and

shares. GGT announced the acquisition yesterday along with a two-for-five rights issue to raise £11.9m for further expansion, and a profits estimate for the group of at least £5.1m before tax in the year to April 30 - a 57 per cent increase over the previous

On a notional tax rate of 38 per cent, that represents earnings per share of at least 30p, against 22.37p in 1987-88.

GGT, which bought the Atlanta advertising agency Babbit & Reiman for up to \$3.55m a year ago, will make a further payment of up to \$6m for Martin Williams depending on its profits in the 16 months to April 30 1990. Mr Matthew Allen, GGT's finance director, said the UK agency did not favour long deferred payment

The initial \$11m payment for Martin-Williams includes

FIRST QUARTER

\$4.55m of cash - \$2m of which will be used to buy new GGT shares - a \$5m cash payment to nine key employees and a \$1.5m bonus payment to the board and senior management.
Martin-Williams staff will also
be part of a profit-related
bonus scheme over the next six

In the year to December 31 1988, Martin-Williams made profits of \$2.01m before tax and non-recurring items.

nary shares is being made at 265p, compared with yester-day's closing price of 317p, down lip.
"We have been saying for

some time that we see a four-centre regional strategy in the US: we want to have agencies of reasonable size on the west coast, in the sonth-east, mid-west and in New York," said Mr Allen yes-

terday. He added that GGT would probably not buy any more US agencies this financial year, but before the end of 1989 the group might have reached two of the four Euro-pean centres - Frankfurt, Paris, Milan and Barcelona where it wants to be repre-



British Mohair **Holdings**

FURTHER INCREASE IN

PRE-TAX PROFIT

- Pre-tax profit increased by 9.6% over 1987 to £5.3 million, Profit growth mainly from non-textile sector.
- * Ordinary dividend for year increased from 7.50p to 8.00p, covered 3.26 times by earnings after tax.
- Earnings per ordinary share up by 10.4% at 26.10p. "The Group has a good order position. The broad-spread of the Group's activities should help to provide a satisfactory result for 1989, the bi-centenary of the Company's foundation."

C. M. Fenton, Chairman

Worsted spinners

Synthetic yem proc

TRADING SURSIDIARIES British Moheir Spinner: Geo. Ackroyd Junr Jeremiah Ambier (Ulster)

M. G. Packaging

Sewing Machine Parts

Bradford Enamellers

knitting yerns

packing materials Merchants of paper and surgical and razor blad

Copies of the Annual Report and Accounts may be obtained from The Secretary, British Mohair Holdings plc, P.O. Box 58, Midland Mills, Bradford BD1 4RL

Kenyon sets up plan for pre-paid funerals

ierman

HOR

KENYON SECURITIES has become the last of Britain's quoted funeral directors to set up a pre-paid funeral plan.
Forethought, as the venture is called, will be operated with Royal Insurance, which will act as fund manager for the

Mr Michael Kenyon, chairman, said yesterday: "We started planning this about two and a half years ago, but we have taken a lot of care and investigated in the US and

we have taken a lot of care and investigated in the US and Europe quite extensively before doing anything."

He said Forethought would allow the customer to choose one of five fixed price plans, or arrange specific details with a local funeral director. The local funeral director. The scheme also offers a choice of five "memorial plans". enabling the customer to select, aheadstone in advance.

Plans for further involves

ment by the Royal are still at. an early stage: the insurance group might eventually market advice to Forethought sub-

scribers. Market research has shown that in the US about 22 per cent of funerals are paid for in advance. Kenyon's quoted com-petitors, Great Southern Group and Hodgson Holdings, already operate similar schemes, offer-ing a choice of two or three set funerals, paid for in advance in a lump sum or monthly instal-

Unlike Great Southern's. Chosen Heritage scheme, and Hodgson's Dignity in Destiny, which are marketed through Age Concern and Help the Age Concern and Help the
Aged respectively, Forethought
is not linked to any national
charity, Mr. Kenyon said the
group might; look at the possibility later.

The Co operative Wholesale
Society, part of the Co-op.
the UK's largest funeral loudness:— Runs another acheme.

nese __ runs another sche the Funeral Bond, which details of the funeral with a specific funeral director, pay-

Flag plans merger after incurring loss of £15.91m

FINANCE LAND and General Holdings, formerly Bolton House Investments, is proposing to merge with Tower Heritage Hotels, a private company based in Winchester. The move was announced at the same time as a taxable loss of £15.91m was reported for the 15 months to the end of June

The board of Flag said the merger was needed the enhance the company's recovery within a financially stron-

ger group.

The loss, on revenue of £2.19m (£1.23m), compared with a profit of £1.51m for the previous 12 months. The result was struck after provisions of £15.78m (£602,000) against a fall in the value of assets.

Mr Peter Laister said that

September there had been an almost complete change in the board and with a review of its

investments which indicated the need for provisions of 19.55m.

He added that the portfolio had been rationalised leaving a smaller more solid base.

smaller more solid base. The merger is to be effected by offers from a new company. Tower Group. For each of Flag's 5p shares, which are traded on a matched-bargain basis. Tower is offering one 2.5p share, involving the issue of 55m shares, or 39 per cent of issued share capital of the new company.

For Tower Heritage, which operates five hotels and restaurants, there will be an initial payment of £3.41m, satisfied by the issue of 85.13m shares, representing 61 per cent of the Tower Group capital, and fur-ther performance related pay-

ments In addition Tower intends raising a net £2m through the offer of sufficient shares at 4p.

SHARE STAKES

The following changes in share stakes have recently been

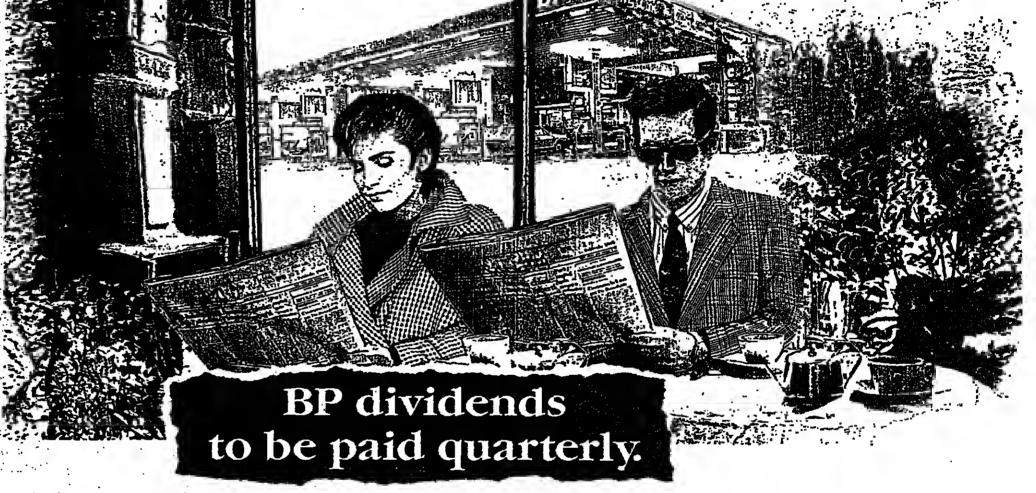
Allied Insurance Group: Try-court Financial Holdings has disposed of its interest in 219,000 shares (6.91 per cent). Associated Farmers: NDS Brown and Brit-N have bought a total of 102,500 25p ordinary

shares representing 5.4 per cent of the capital. The respec-tive holdings are as follows, NDS Brown 57,500 shares and Brit N 45,000 shares. Associated Nursing Services: Scottish Amicable Investment managers have acquired 25,000 shares bringing the total holding to 626,018 (1F.48 per cent).



I.G INDEX LTD, 9-11 GROSVENOR GARDENS, LONDON SW1W OBD Tel: 01-828 7233/5699 An AFBD member Reuters Code: IGIN, IGIO FT 30 FTSE 100 WALL STREET
May. 1759/1768 -12 May. 2112/2122 -14 May. 2372/2384 +2
Jun. 1770/1779 -12 Jun. 2125/2135 -14 Jun. 2381/2393 +2

Prices taken at 5pm and change is from previous close at 9pm



- Margins squeezed in Refining and Marketing.
- Higher crude oil prices benefit Exploration and Production, offset by disrupted production, higher taxation and costs.
- Replacement cost profit down by 7% compared with the first quarter of 1988, despite Magnus part-disposal.
- Stock holding gains of £227 million from higher crude oil prices lead to increased historical cost profit.
- 790 million shares cancelled following buy-back from Kuwait Investment Office.
- Dividends to be paid quarterly, 3.65 pence per sbare now declared.

Financial highlights		
January - March	1989	1988
Profit for the period after taxetion		
Historical cost	£608m	£263m
Replacement cost*	£381m	£408m
Earnings per share	10.3p	4.4p
Dividend per Ordinary Share	3.65p	_



Strong growth in world wide sales across all four divisions, Sound & Vision, Text & Graphics, Scientific and Advanced Engineering gave a well balanced expansion.

QUANTEL

World leaders in image processing for broadcasting, graphics, medical and scientific markets.

World leaders in microanalysis for research and materials development.



public limited company

Solid State Logic

World leaders in audio systems for recording, video, broadcasting and film.

Miles 33

World leaders in text and graphics composition systems and in office automation for solicitors.

GOS\WO18998

World leaders indesign, development and manufacture of high performance car engines.

USACQUISITIONS

World leaders in nuclear instrumentation joined UEI in November 1988.

Unitel video

Leading US provider of TV video and post-production facilities. Agreed merger now dependent on shareholder approval.

A HIGHTECH | ANOTHER HIGH **PERFORMANCE**

- 26% Profits increase from Organic Growth.
- 26% annual compound increase in eps unbroken over last 5 years.
- 71% export sales.
- 50% increases in sales to Far East and Europe.

■ £10.5m R&D expenditure - doubled over last 5 years.

A record number of new products successfully introduced in the year.

SUMMARY OF RESULTS Year ended 31st January

1968

Turnover	163.0	+15
Profit before tax	31.1	+24
Profit after tax	19.7	+26
Earnings per share	28.4p	+22
Dividend per share	8.0p	+14

The above figures are extracted from the Preliminary Announcement of the results for the year ended 31st January 1989, issued on 11th May. For further information please contact the Company Secretary, UEI plc, 19 West Miles, Newbury, Berkshire, RG145HG, Tel: 0635521321.

COMPANY NOTICES

BANQUE NATIONALE DE PARIS

Joint-slock company with an authorized capital of FRF 2.539.589.400,— Registered Office : 16 Boulevard des Italiens - PARIS (8 êms) Trade Register PARIS & 682 842 448

USS225,000,000 - FLOATING RATE NOTES DUE 1998 reby given that, in accordance with clause 'EARLY REDEMPTION' of the of the notes, BANQUE NATIONALE DE PARIS will propey all of the notes at per on June 15, 1989 when interest on the bonds will couse to

Accrued interest due June 15, 1999 will be paid upon presentation and ag of coupan en or after June 15, 1999

BANQUE NATIONALE DE PARIS, NEW YORK 489 PARK AVENUE. NEW YORK, N.Y. 10022 BANQUE NATIONALE DE PARIS (LUXEMBOURG) S.A. 24, BOULEVARD ROYAL, LUXEMBOURG

BANQUE NATIONALE DE PARIS PLC 8-13 KING WILLIAM STREET, LONDON EC4P 4HB, ENGLAND

KUWAIT INVESTMENT COMPANY (S.A.K.)

SCUO AL-MANAKH BUILDING, MUBARAK AL-KABIR STREET PO BOX 1005, SAFAT 13011, KUWAIT

ESPIRITO SANTO FINANCIAL HOLDING S.A.

Société Anonyme Luxembourg, 37, rue Notre-Dame R.C. Luxembourg n° B 22232

Avis de convocation

Messieurs les Actionnaires sont convoqués par le présent avis à l'Assemblée Générale Statutaire qui aura lieu le 26 mai 1989 à 11.00 heures dans les bureaux de la Krediethank S.A. Luxembourgeoise, 43, boulevard Royal, Luxembourg, avec l'ordre du jour suivant;

Ordre du Jour

Rapport de gestion du Conseil d'Administration et rapport du Commassaue. Approbation des comptes annuels et affectation des résultats au 31 décembre 1988. Decharge aux Administrateurs et au Commissaire.

Le Conseil d'Administration

THE KOA FIRE AND MARINE HEURANCE COMPANY, LIMITED

UB\$70,000,000 1% PER CENT.

ADJUSTMENT OF CONVERSION PRICE ursuant to Clause 6 of the Trust Deed dated ith August, 1287 under which the above privertible Bonds were issued, notice is ereby given as follows:

The Cempany made a public offering of 8,000,000 Shares of common stock of the Company at an issue price of Japanese Yan 1,245 per Share and with a payment date of 21st April, 1859. As a result of such othering, the Conversion Price of the above Bonds has been adjusted in accordance with Conditions of the Sands from Japanese Yan 871 to Japanese Yan 874.90, effective as from 22nd April, 1969.

THE KOA FIRE AND MARINE INSURANCE COMPANY, LIMITED

COSTAIN GROUP PLC

111 Westminster Bridge Road, London SE1 7UE NOTICE TO BOND

GROUP PLC U.S.\$50,000,000 7% per cent. Bonde due

(i) to give general power to the directors to offer new ordinary shares in Seu of cash dividends psyable on ordinary

(ii) to authorise such an other to be made in respect of the final criticary divi-dend for the financial year ended 31st December 1988 and, if the Board so decides, in respect of any other di-vidends recommended or declared by the Board up to 31st December 1989.

APPOINTMENTS WANTED

APPOINTMENT WANTED

Write Box A1211, Financial Times, One Southwark Bridge, London SE1 9HL

Financial Times. please contact: Financial Times (Germany Advertising) Ltd Guiollettstrasse 54 D 6000 Frankfurt am Main 1 Tel: (069) 7598/143 (Classified) Fax: (069) 722677 Telex: 416193

LEGAL NOTICE

Procédure de concordat pour les banques et les calsses d'épargne Canton de Gonève

BANQUE DE CREDIT INTERNATIONAL, GENEVE, EN LIQUIDATION CONCORDATAIRE

Contemment à l'Article 40 de l'Ordonnaisse du Tribunal Fédéral du 11 avril 1936 concentant la protédure de concordat pour les Banques et les Caleses d'Eparque, la liquidérice a dresse un état du patrimonire au 25 février 1958 et un rapport eu so scalvité à catte maine dats. Ele les a transmis à la Commission des créendais pour être commissiqué à l'autorité de caccordes.

Les créanclers pourront en prendre con nécesance auprès du

Greffe de la Première section de la Cour de Justice, Palais de Justice, 1211 Genève 3

PROPERTY INVESTMENT & FINANCE

The Financial Times proposes to publish this survey on:

6th July 1989

For a full editorial synopsis and advertisement

Joanna Dawson on 01-873 3269

or write to her at:

Number One Southwark Bridge London SEI 9HL

UK COMPANY NEWS

Losses at NZI Bank hold GA's profits to £55.5m

A WORSE than expected £15.8m loss at General Acci-dent's troubled NZI Bank subsidiary was a factor in e 5 per cent drop in the composite insurer's first quarter pre-tax profits to 255.5m.

Much of the NZI loss, which was about £5m worse than City analysts' forecasts, lay in costs of shedding staff and restructuring at the bank, which was hit heavily last year by the side-effects of the Rothwells collapse in Western Australia. With US profit margins under pressure from the two-year-old downswing in the property/casualty underwriting cycle, GA nonetheless saw worldwide underwriting losses fall 6 per cent to £19.8m on non-life premiums of £696m. Investment income was up 16.7

per cent at £96.4m. GA's solvency margin (shareholders' funds as a per-centage of non-life premiums) rose though from 73 per cent at the end of last year to 83 per cent currently, demonstrating the strength of the capital appreciation in its equity and property-oriented 25.2bn

The main reason for the drop

. COMMENT

in underwriting losses lay in a better-than-expected perfor-mance in the three months to March 31 from GA's UK nonthis high, but at this stage in the underwriting cycle the bal-ance sheet matters more than the profit and loss account. In the US, GA is raising its motor March 31 from GA's UK not-life arm.

A drop in motor claims fre-quency combined with the impact of rate increases meant GA's motor business showed a £1.2m underwriting profit, compared with a £2.5m loss in 1988. Mild weather helped, with householders' insurance show-ing a £3.5m underwriting profit. the US, GA is raising its motor premium raises by up to 12 per cent in Virginia: but with claims cosis trending upwards by as much, margins are bound to deteriorate. Geared mainly to the Atlantic, GA has little directly to fear from Ralph Nader'e anti-insurer crusade in California, but its commercial lines business worsens by the day, while in the UK, little scope remains for more premium rate increases. The squeeze on margins means that premium rate increases. The squeeze on margins means that reserves against outstanding claims from earlier years just better had be adequate: and if GA is over-capitalised, it also looks over-reserved too. Given that the US downturn could that the US downturn could ment portfolio has helped net assets per share swell from 915p at end-1988 to 1979p now. But GA's shares closed ou a meagre 945p last night, a rating which over-discounts the illeffects of the acceptance of ill-effects of the acquisition of

ing price competition has been hitting insurers since early 1987, GA saw underwriting losses climb from £14.5m to £17.5m, with most of the deterioration in its commercial lines GA's worst performing mar-bet was Canada, where under-writing lossee mounted to \$5.1m. The Pacific Basin pro-duced a 24.2m underwriting loss, described by GA as "encouraging, in what is tradi-tionally a difficult quarter."

You may call GA over-capital-ised, with a solvency margin

In the US, where intensify-

GPA \$150m equity issue

By Kleran Cooks in Dublin

GPA, based at Shannon in the Irish Republic and the world's leading aircraft leasing company, is to raise \$150m (190m) through a new equity issue. According to Dublin market

reports, the share placing will be made before the end of June and will be aggressively priced at more than \$400 per share.

This would value GPA at \$2.5bn. Last year a number of frish institutions paid between \$250 and \$285 per share for a stake in GPA. GPA would not comment on the new issue.

It is understood that a num-ber of new investors are likely to buy into GPA as well as existing Irish and international shareholders.

CO-OPERATIVE RETAIL Services, Britain's largest retail co-op, yesterday announced a 20 per cent increase in its trading surplus to £32.5m for the year ending langery 28

January 28.

The increase was achieved in spite of a sales increase of just 6.2 per cent to £1.08bm. CRS, which is owned by its members, operates over 800 food and department stores

throughout the UK as well as

chairman, said yesterday that the increased trading surplus had been achieved by improved merchandising and

he said.

Rowland-Jones to fight Bremner board on sale

By Clay Harris

MR JAMES Rowland-Jones, the former Bremner chairman who has tried unsuccessfully several times to unseat his successor, is preparing another chal-lenge to the current management at the Scottish stockbroking and property

company.

His latest target is Bremner's agreement to sell the group's former Glasgow department store for £2.5m. The deal is subject to approval by shareholders at an extraordinary general meeting, the date for which has not yet been set. Mr Rowland-Jones, who has a 13.9 per cent stake in Brem-

a 13.9 per cant state in brem-ier, said yesterday that at least two higher offers had been received for the property. He would be asking shareholders to make him their proxy to accept the highest available price or the highest value joint development deal. The possibilty of another

chapter in the long-running saga emerged as Mr Dennis McGuinness, Mr Rowland-Jones's rival, announced he would resign as chairman within three months, although he would remain as an execu-tive director.

Venture Plant spends £2.86m on two purchases By Vanessa Houlder

Venture Plant Group, a plant hire company that joined the USM last December, yesterday announced the acquisition of PTL (Plant Rire) and Cale-donia Crane Hire for a total of £2.86m. It also announced interior professions interim pre-tax profits of £378,520 and turnover of £3.82m for the six months to

March 31.
The ecquisitions will be financed by the issue of 2.3m new shares and e further 483,067 shares will be issued to cover expenses. An open offer has been arranged on a 2-for-16 basis at 105p per

The interim profit compares with a pre-tax profit of £958,000 for the year to September 1988. Earnings per share of 2.33p were announced, compared with 33 for the year to September. 8.3p for the year to September 30. An interim dividend of

stretch into 1991, that is no bad thing: and the high risk profile GA can afford in its invest-

Mr Tony Ryan, who helped found GPA in the mid-1970s, has through successive share issues maintained an 8 per cent stake in the GPA Group. Other major shareholders include Air Canada, the Mitsubishi Corp. Aer Lingus and Irish Life Assurance.

and refurbishing existing ones led to a two-thirds increase in

ing to a 10 per cent fall to £7m

The CRS's food division oper-

in interest payments.

Better cost control boosts CRS

By David Churchill

undertaking service. Mr Brian Hellowell, CRS

capital expenditure to £76.3m. However, this was partially financed out of cash flow, leadcost control in spite of the squeeze on retail activity.

The results from our new marketing approach, involving substantial investment in store

redesign and refurbishment, have been very encouraging,"

Mr McGuinness said yester-day that the offer which had been accepted, from the Scot-tish clothing retailer What-

Everyone Wants, had been the best on the table which was not subject to conditions such

as planning consent or a struc-

tural survey.

identities - Co-op Leo's, Mar-ket Fresh and Stop and Shop, Sales through these stores rose by 5.7 per cent to £803m last The dairy division main-tained sales at £112m in line with a static market. Non-food department stores - trading as Living and Homeworld achieved a 14.4 per cent sales

increase to £191m. The funeral division increased sales by 9.3 per cent to £20m in spite of "strenuous competition," according to the

CRS said yesterday that it planned to expand its Share-holder Card which it launched in two areas last year. The card provides a range of finan-cial services in conjunction with the Co-operative Bank.

UEI 24% up in year of organic growth

By Ciare Pearson

UEI, the high technology electronics and engineering group, yesterday announced pre-tax profits up 24 per cent to £31.11m, and carnings per share 22 per cent higher at 28.4p, in the year to end-Jannste.

Mr Peter Michael, chairman, said it had been an exciting year of important new product introductions in each of the four divisions, and the profits advance had been entirely achieved through organic growth.

Turnover rose to £163.69m (£141.87m), split as to £47.32m (£47.27m) for the UK, masking an 8 per cent like for like rise, and £115.7m (£34.6m) for exports. The proposed final dividend is 5.4p making 8p (7p) for the year.

The initial reception to the introduction by Quantel, the sound and vision company, of Painthox Series V, a videographics, system which is both anch cheaper and more sophisticated than its now nine year-old predecessor, had been highly favourable. It is expected to open up graphics painting to new types of users.

Other notable developments were the \$20m acquisition last November of The Nucleus, a US naclear detection equipment company, which fitted in with UEI's X-ray spectrometers, and the successful launch of the Sapphire BS Cosworth by Ford, one of the main customers. See UEI's Cosworth tomers for UEI's Cosworth subsidiary which makes rac-ing and high performance car

UEI has this year made a \$32m (£19m) agreed bid for United Video, the New York video recording company. This last move showed UET's keen-ness to move into services where they fitted in with its manufacturing strengths, as well as a renewed emphasis on the US, Mr Michael said.

O COMMENT

ates through three trading Albeit that this year UEL, a world leader with many of its products, should continue to show a 20 per cent-plus growth rate, its shares hardly appear cheap on a prospective p/e of over 14 if it makes between £37m and £39m this year, depending on when the Unitel acquisition is consummated. However, the purchase may have a significance far beyond its size in that it underlines the extent of the company's involvement in the broadcasting industry: deregu-lating, compelled to keep up with the latest technological developments, and the main developments, and the main castomer for UEPs biggest, and fastest-growing division, sound and vision. The com-pany still looks like a worth-while long-term investment.

بد ت

. .

6

This notice appears as a matter of record only

Busways Group Ltd (a 49 per cent ESOP owned company)

has acquired **Busways Travel Services Ltd**

from the Tyne & Wear Passenger Transport Authority
for a total consideration of

£14,350,000 £14,350,000

Participants The Co-operative Bank plc City Region Unity Trust Bank plc

ESOP funding provided by Unity Trust Bank plc

Busways Travel Services Ltd. was advised by New Bridge Street Consultants

The Co-operative Bank Group

(THE SANWA BANK, LIMITED

NOTICE TO THE HOLDERS OF BONDS OF THE ISSUE MADE BY THE EUROPEAN COAL AND STEEL COMMUNITY The Commission of the European Communities announces that the announce in least investigation of the European Communities announting to US\$ 1,750,000,- has been purchased for redemption on June 15, 1989.

ART GALLERIES

CLUBS

FT Germany For details on how to advertise in the

HOLDERS OF COSTAIN

DELOTTE HASKINS + SELLE S.A.

details, please contact:

FINANCIAL TIMES

The same of the sa



ALDAY MAY NA

i in year

Onth

The enabling technologies" of biotechnology are taking longer than was once forecast to

find their role in medicine. But Europe and Japan are emerging as fertile ground after a decade in the shadow of US bio-entrepreneurs. says David Fishlock, Science Editor

Time span of success

IT TAKES up to 10 years to develop a new pharmaceutical. develop a new pharmaceutical. That fact was simply not appreciated by many enthusiastic entrepreneurs from arademe who helped ploneer the commercial use of the new biotechnologies, Dr Robert Fildes, chief executive of Cetus, told investment analysts in London recently.

Even today it is not widely known that only one in four submissions by pharmaceutical companies of new compounds to the US Food and Drug Administration, seeking a product licence, wins approval first time.

Section of the second

...

The research and development bill for a drug company of each major new advance in chemotherapy, taking account of all those that fail, is uncomfortably close to £100m. Such facts help explain what has been happening to the few hundred new biotechnology firms launched since the labe-1970s, mostly in the US. They are fast coalescing in a rising frequency of acquisitions and mergers as the new industrial sector matures.

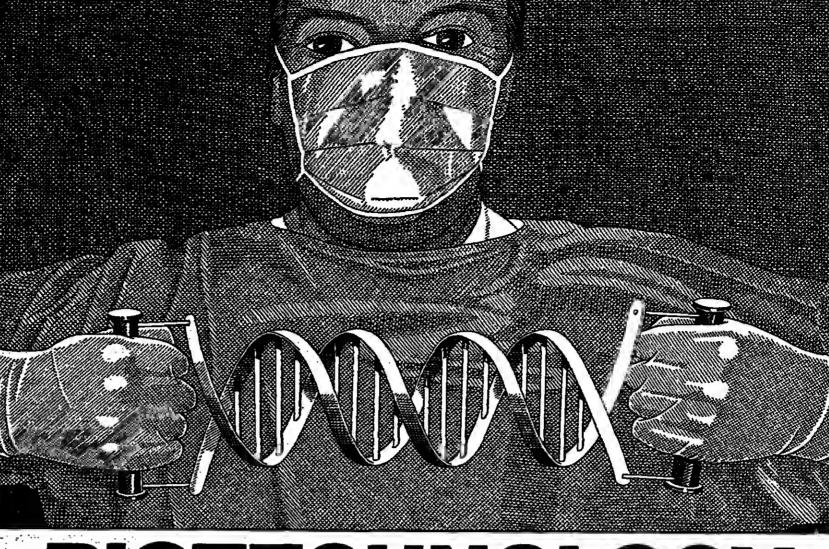
Biotechnology is not a new

industry. It has long been around as industrial microbiology, the basis of many industrial processes for the food, drink and drug industries.

What emerged from academic science in the 1976s was some powerful new "enabling tech-nologies" which promised to revolutionise industrial micro-biology for these and other industries:

Early targets of these new technologies - often called col-lectively "genetic engineering" such as interferon and the interleuking have certainly not failed. But they are taking much longer than their promoters once forecast to find their role in medicine. Although they are faithful copies of natural substances, when administered in amounts that-seem to combat serious sickness they have proved neither cure alls nor free from tox-

Cetus - one of the oldest of the new wave of biotechnology. firms - is poised to launch Projection, its own genetically ineered interleukin-2, initially to treat an incurable kidney cancer known as meta-



which other drugs have not been effective. Clinical trials show a positive response in 20 per cent of patients, the com-

Cetus has invested over £10m in production plant in California to make this peptide as a cancer treatment in both the US and European markets, as soon as it receives product licences - in Europe, it hopes, later this year, it also believes its recent pact with Hoffmann-La Roche has neutralised its only rival within sight of a product licence for interlenkin-2 in the next few years. Nevertheless, investors have every reason to be wary. The experience of Genentech,

another Californian entrepre-

neur from the mid-1970s, is still

has been active in biotechnolo-

static renal carcinoma, for fresh in their minds. Genentech boasts the most impressive portfolio of genetically engineered inventions, and picked one called tissue plas-minogen activator (TPA) as the drug that would transform it from a research company into a \$1bn-a-year pharmaceuticals

TPA is known colloquially as "clot-buster" or anbstance that dissolves potentially deadly blood clots formed during a heart attack or surgical operation, for example. It was competing against an older clot-buster called streptoki-

Genentech embarked on marketing programme to bring Activase, as it named its TPA, to the attention of the US medical community. And the comwhen the FDA rejected its first licence, in mid-1987.

Activase came on the market early last year at a price per treatment of \$2,200, or 11 times higher than streptokinase, a premium it justified by claiming greater efficacy and safety. Its marketing programme suc-ceeded in building sales to "the highest ever for any drug durmg its first 12 months on the US market." Nevertheless, they were still well short of Genentech's target last autumn when doubts began to circulate in the hospitals and clinics whether Activase really was any improvement at all on the

cheaper clot-buster. High profile activities of this kind have helped provide ammunition for those who campaign in favour of severe curbs on the transfer of genetic engineering into industrial and agricultural practice.

In the US, anti-biotechnology campaigners have successfully empered-attempts to transferpotentially valuable laboratory experiments in imparting frost resistance to crops in Califorhave successfully hampered the use of genetically engineered bovine somatotrophin (BST) to enhance milk yields

by up to 20 per cent. European opposition is strongest in West Germany. where the Green Party appears to view biotechnology with the same reservations as it bas towards nuclear energy; it is something to be discouraged at all costs.

Opponents persuaded the European Parliament to impose a ban on growth stimu-lants for beef cattle without even considering the evidence of a scientific committee that the Euro-MPs had asked to investigate the case. In Britain, the National Farmers Union of England and Wales last month endorsed a ban on BST - in defiance of the advice of Mr

Simon Gourlay, its chairman. In Brussels, Mr Filipo Maria Pandolfi, the new European Commissioner for research and development, took the unprecedented_step_of blocking a-planned £10m European Community participation in the international human genome

lobbying of West German

This opposition is appearing at a time when Europe is emerging as a fertile territory for biotechnology, after a decade in the shadow of the more assertive bio-entrepreneurs of the US. Last summer Lord Rothschild, founding chairman of Biotechnology Investments Limited (BIL), NM Rothschild's specialist trust, announced that after backing

There are 'hidden jewels' to be discovered in Europe's universities

mostly US-based start-ups for its first seven years, BIL was turning its expertise towards Europe, He believed there were "hidden lewels" to be discovered in European universities. BIL's investment managers have begun to report success in their jewel-hunting. They are finding the gems through

CONTENTS

Process technology: Investment: for those business skills

Science: It'e all in the genes Pertnerships: backers in the Diagnostics: DNA may tackle

☐ !/lustration: Robin MacFarlan

France, with a declared interest in diversifying into biotechnology. Such companies - in agro-chemicals, oil and health care - are spotting the talent, then turning to BIL for its expertise in evaluating bio-entrepreneurs both technically (through its science advisers) and managerially, says Mr Jer-emy Curnock Cook, heading Bil's advisory team.

Its strength, he says, lies in its experience of helping to develop the strategic thinking of over 50 biotechnology start-ups in which it has already

As Mr Curnock Cook sees it, the US scene for biotechnology start-ups has begun to mature, with companies coalescing increasingly, now that the first products are reaching the mar-ket. Although BIL has backed more start-ups in Britain than in the rest of Europe together, the UK portfolio remains small compared with that for the US. Now he has begun seriously to do something BIL previously rarely found time for in its first wave of US investment, namely to seek out and "seed" new ideas from scratch, and give entrepreneurs their first chance to prove they can create a new business.

Mr Curnock Cook's first seed investment is in information technology relating to health care, where he is backing a "computer-literate" surgeon with a better idea of scheduling his patients, to their advantage as well as his own conve-nience, he claims.

Europe is also well in the van with some of its commer-cial bioprocesses. Celltech remains in the vanguard with its large-scale (kilogram) cul-ture of monoclonal antibodies. Each kilogram is worth about

Marlow Foods, the joint ven-ture between Ranks Hovis McDougall and ICI, is selling Quorn, its mycoprotein made by continuous fermentation. for inclusion in more than a score of food products associated with such names as Sains-bury's, Safeway, BhS and Tesco. Quorn sells at the rate of about 1.500 tonnes a year. This year the company expects to decide on a threefold scale-up, a £20m commitment

for the two partners.

ICI is also pioneering what it believes will be the first production-plant anywhere to use a biotransformation to produce a pure herbicide intermediate,

It may be 10 years before commercial applications pay off

Why Japan's 'copiers' have got the creative urge

the fields, along with intero-electronics and superconduc-tivity, in which Japan's rapid transition from a major pur-chaser of technology to a

chaser of technology to a major developer of it can be seen most clearly.

By most assessments, both in and outside Japan, the country's research institutions and industrial companies are already doing work in some aspects of hiotechnology that is at least on a level with that being done elsewhere. According to a study published last month by the Agency of Industrial Science and Technology of Japan's Ministry of International Trade and Industry, the country is actually predominant in research into the making of complex semiconductors ing of complex semiconductors using blotechnology, the so-called blochips. Certainly all the necessary

Both the Government and the corporate sector are flush with cash

factors are there for Japan to excel. Both the Government and the corporate sector are flush with cash and are looking aggressively for new industrial developments which will sustain the momentum of the country's strong economic

growth.

Most leading industrial com-panies are now internationally competitive in their fields and can no longer hope to improve their positions by buying tech-nologies from abroad. Thus, they are willing to invest heavily in research and development of new products on in some cases they also

appear to be acquiring foreign companies with a view to speeding the process. The pur-chase two months ago by Yamanouchi Pharmaceutical of the US health products group Shaklee for \$395m is thought to have been made in part to improve the Japanese group's position in biotechnol-

By nature, the Japanese are also willing to take a long view, an approach that coin-cides perfectly with the profile cides perfectly with the profile of biotechnology, where successful commercial applications are not expected to be numerous for at least another decade. Indeed, there is growing anxiety in the US that now that the glamour image of hiotechnology is fading, the typically undercapitalised US venture company in this field may have difficulty keeping up

ture company in this field may have difficulty keeping up with the Japanese.

Perhaps most important, the Japanese people are embarrassed about their image as copiers and are eager to shed it. It would not be too much to say that there is something approaching a national campaign in Japan these days to promote creativity and innovation, and investment in biotechnology research is one of the main beneficiaries.

Japan's interest in biotechnology began to take shape in 1981 when the Ministry of International Trade & Industry (MITI) chose recombinant DNA technology, bioreactors, mass cell culture and biochips as research topics for its R&D Project on Basic Technology for Future Industries. The year after, it set up a Bioindustry Office simed at identifying industrial opportunities to support bioindustry, and in 1985 it established the Japan Key Technology Centre with the Ministry of Posts and Telecommunications, infering loans and grants to private

communications, infering loans and grants to private sector research institutes.

MITI has also been carrying out its own R&D in the field,

including the development of fuel grade alcohol technology fuel grade alcohol technology using bacteria, new fuel oil technology using biomass and fine chemicals production technology. In 1985, it began a six-year project to develop a system for recycling contaminated water using biotechnology and membrane separation technology. In January this year, it was instrumental in setting up a joint public-private research centre to premote research activities on mote research activities on marine hiotechnology focusing on functions of ocean life.

Other ministries have also got into the act. Under the sponsorship of the Science and Technology Agency, the Institute of Physical and Chemical Research embarked on a 10-year plan in 1877 for life science projects, including developing genetic technology and the creation of a gene data bank. It is also doing research on cancer and senescence, both subjects of great interest in Japan's ageing society.

Meanwhile, the Research and Development Corporation of Japan has undertaken work on bioholonics and information transmission. It has also been putting a lot of effort Other ministries have also

been putting a lot of effort into developing a vaccine for hepatitis B, a disease much more common in Japan than elsewhere.

these areas as well as develop-ing guidelines for the manu-facture of pharmaceuticals and food products using biotech-nologies. The Ministry of Agri-culture, Forestry and Fisherles

gical breeding research for plants and has funded a number of industrial projects in this field.

However, as in other areas of R&D in Japan, the Government's efforts — worth about \$400m a year — tend to be small compared with those of hig corporations, both in their own laboratories and at those in universities. The rule of thumb is that the corporate sector spends about four times as much on R&D as the Government. Japan's food and

as much on R&D as the Government. Japan's food and pharmaceutical companies have been pouring huge amounts of money into various hiotechnology developments while the giant electrical groups have been speeding ahead on finding ways of applying blotechnology to computer and semiconductor development. In terms of commercial pro-

duction, the earliest develop-ments in Japan were in phar-macenticals. Competition emerged about two years ago among companies to commer-cialise hepatitis B vaccines. Also, Sumitomo Pharmaceuti-cals launched the first recom-binant DNA drug, alpha-inter-feron, as an anti-cancer drug. Another area of focus has been the development of recombinant TPA for dissolving blood clots. There was also a rush of enthusiasm for monocional antibody diagnostic kits in 1987, but that has

Despite the slow develop-ment of commercial products, investment is continuing apace. For example, Chugai Pharmaceutical announced in February that it would spend February that it would spend Y10bn to set up a factory for hiotechnology-applied medi-cines in Utsunomiya, 50 miles north of Tokyo. It would be the largest biotechnology-med-icine factory in Japan, a com-pany official said.

Chugai has been developing erythrupoietin (EPO) and granular colony stimulus factor (G-CSF) through the a p p lic at 10 n of gene engineering technology. EPO is undergoing clinical testing as a substitute for blood transfusions. The company expects production approval for the drug this year. G-CSF is being tested as a drug to prevent the rapid decrease in lenkocytes - The Ministry of Health and that often occurs in cancer Welfare is also working in patients being treated with

anti-cancer drugs. Chngai intends to apply for produc-tion permission this year. More recently, the focus of biotechnological product development has switched to

development has switched to agriculture, with various com-panies bringing out new types of flowers and vegetables applying tissue culture. A cou-ple of years ago, a lot of publicity was generated around the development of seedless watermelons and something watermelons and something called a pomato, but now more serious products are emerging. For example, last month Sapporo Breweries set up a joint venture in Peking that will use a clone proliferation technique to raise masses of low-priced orchid seedlings for import and sale to Japanese horticulturists.

Also last month, Japan Tobacco, the dominant tobacco industry in the country, paid

Official policy is that companies should try to work with overseas groups on R&D

\$6m for an 8.7 per cent stake in Plant Genetic Systems, a Belgian company active in the genetic engineering of plants. It claims to have pioneered plants resistant to specific

Now that so much R&D work in blotechnology is being done in Japan, the question is how others can get access to it. Japanese researchers, whether in universities on in indusin universities or in indus-tries, are no different than their counterparts elsewhere in wanting to keep the henefits of their best work for themselves. However, the Govern-ment's official policy is that R&D is an area where Japan can and should contribute to the world and so universities and companies should try to work with overseas groups.

So far, that policy has not been put into practice much. For example, the much her-aided Human Frontier Science Programme, proposed in 1984 by Mr Yasuhiro Nakasone, then prime minister, as an international effort in blotechnology research, has still not got off the ground. But per-haps this is as much because of lack of interest abroad as from inertia at home. The Japanese are usually responsive to foreign pressure.

> lan Rodger Tokyo

WHAT HAVE OVER 250 HEALTH CARE AND BIOTECH COMPANIES DISCOVERED IN SCOTLAND?



I hey've discovered opportunity. A wealth of it. And translated this opportunity into business success. Companies like the recent start-up Bioseparation Associates, which has chosen Scotland for one of the UK's biggest venture-backed bioscience manufacturing facilities. And established companies like Beecham Pharmaceuticals, Glaxochem and Johnson & Johnson. All are thriving and expanding in Scotland where the bioscience infrastructure is more advanced than anywhere else in the UK. And where industry and academic institutions have close and fertile links. If you're starting up or expanding in biotechnology do some research first. For further details simply contact David Brown at the Scottish Development Agency, The Scottish Centre, 17 Cockspur Street, London SW1Y 5BL (Telephone 01-839 2117), or FREEFONE SCOTLAND.

SCOTLAND. LAND OF OPPORTUNITY.

SCOTTISH DEVELOPMENT AGENCY, 120 BOTHWELL STREET, GLASGOW G2 7JP.

Pendulum 'is set to swing back'

is proving to be long and tough-going for the US biotechnology industry. Despite serious setbacks, regulatory pitfalls and a tangle of litigation, the industry is steadily maturing, however, and beginning to

live up to its early promise. Expectations for the biotech nology industry have changed dramatically over the past two years. Once regarded as a pan-acea for the world's problems, it is now widely seen as a busi-ness fraught with financial problems and technology risks. The bubris and hyperbole of earlier days have been replaced with visions of gloom and

Yet the promises of biotechnology have not been broken," says Mr Roger Shamel, president of Consulting Resources Corporation, a management consulting firm which follows the biotechnology industry. "Investors were simply misled with regard to bow loog it would take to deliver on

them." he suggests.
The "biobusiness pendulum" is about to begin a new posi-tive swing this year, Mr Sha-mel predicts, leading to improved confidence and interest in the industry through the early 1990s.

To date, bowever, it is the industry's problems that have dominated the outlook. In 1988. more than two dozen US biotechnology companies filed for bankruptcy protection. Others have been forced to sell their technology to companies with deeper pockets and many are

THE LATEST annual report

from the biggest and boldest of

the new biotechnology

research companies begins

with the words: "Genentech

began and continues to lead

the biotechnology industry.

Most of the recombinant thera-

peutics now on the market

came from Genentech research

... We are the first biotechnol-

ogy company to enter the ranks of fully integrated phar-

It reports total revenues of

\$334.8m in 1988, np 45 per cent, mainly from the first full

year of income from its geneti-

cally engineered heart drug

Activase (tissne plasminogen

activator or TPA). The payroll

than any similar firm devoted

to capitalising on the new bio-

Yet Genentech no longer fea-

tures in the portfolio of Bio-technology Investments Lim-

ited (BIL), the trust set up by

N M Rothschild in 1982, spe-

cialising in biotechnology and

The rigorous system of anal-ysis and surveillance imposed

by Lord Rothschild, as foun-

ding chairman, has made BIL

a yardstick of company performance, and made its patronage keenly sought by the new

Fax: Cambridge (0223) 420801

health care investments.

technologies.

roaches 1,800 - far higher

macentical companies."

Industry executives expect nearly half of the 500 or so US biotechnology companies to be acquired within 10 years, and one third of them to be acquired within five years, according to a survey con-ducted by the Arthur Young Righ Technology Group.

Times have also been tough for some of biotechnology's biggest companies. The excitement surrounding the introduction of the industry's first "blockbuster" drug, Genen-tech's TPA, a blood clot dissolver used to treat heart attack victims, was quickly dispersed by news that sales have not lived up to expectations. Genentech's problem reflects

that of the entire industry. Expectations were set unreasonably high, it now appears. Sales of TPA set a first year record for any new drug, yet they were less than half of wbat industry analysts had

The company was widely criticised for setting the price of TPA too high, at \$2,200 a dose - about 10 times that of its competitor, streptokinase. Last month, however, Mr Robert Swanson, Genentech's chief executive, reaffirmed the company's intention to maintain current prices and to step up its marketing efforts. Sales of TPA rose by 25 per cent in the first quarter of the year, to \$48.1m, he said.

Despite higher sales, however, Genentech's income fell in the first quarter to \$7.1m from \$15.2m in the same period last year.

itself admits, it fell short of its

as part of its strategic develop-

ment (through Sanofi) in the bio-industries. Elf has claimed

recently to be "one of the world's top 10 bio-industry

RIL's advisers, after building a portfolio dominated by US investments, for the past year have turned their attention increasingly to opportunities in Europe, discovering that European biotechnology is also thriving. Another Ril's covery is how much Ril's

biotechnology companies. is also thriving. Another dis-Genentech is a casualty of covery is how much BIL's

ings reflect an industry-wide trend. US biotechnology sales have grown significantly, up 25 per cent in 1988 over the previ-

Growth has yet to bring profits, however. In 1988 only 26 per cent of US blotechnology Companies were profitable, according to the Arthur Young study. Two-thirds of the companies in the diagnostic and therapeutic sector reported lower net income or greater

A web of litigation over patent rights with competitors, and over marketing rights with its partner

losses compared to the previous year.

Amgen Corporation, the second largest US biotech company, suffered a major setback with heavy losses in the first quarter caused hy unanticipated delays in obtaining FDA approval for EPO (erythropoletin).

Widely regarded as the industry's next major product, EPO is a drug that increases the body's production of red blood cells, thus reducing the number of transfusions needed by patients with kidney disease and potentially treating many other forms of anaemia.

Amgen had hoped to intro-

dnce EPO last year, and the company put together the manufacturing and marketing

INVESTMENT

Only for those with business skills

Now, however, Amgen has been caught up in a web of litigation over patent rights with competitors, and over marketing rights with its part-ner, Johnson and Johnson. The FDA has delayed its approval of EPO while the

legal mess is untangled. It could be several more weeks before that process is completed, analysts predict. In

completed, analysis predict. In the meantime, Amgen will continue to bleed financially. When it finally happens, the approval of EPO will be the event of the year in the bio-technology industry. Sales will be closely wetched, and any be closely watched and any sign of weakness could plunge the industry into another cycle

Already, some industry watchers are nervous. There are concerns about the price of EPO. Like Genentech's TPA, it is expected to cost far more than traditional drugs. EPO is projected to cost kidney dialy-sis patients more than \$6,000 for a one-year supply, placing it beyond the means of many

The annual market for EPO among transfusion-dependent dialysis patients could top \$100m in a few years. Already, however, some industry analysis are speculating upon the drug's potential use in other types of illnesses, such as the anaemia that afflicts cancer sufferers undergoing chemotherapy, and rheumatoid arthritis patients and AIDS sufferers being treated with the drug AZT.

the worldwide market for EPO in 1983 at \$3.5bn, with \$2.1bn in the US alone. Like Genentech's TPA, it seems that Amgen's new drug may be doomed to fail to live up to inflated expec-

"Investors need to try to be more rational and realistic in their expectations," suggests

A maturing attitude is likely to result in fewer new biotech ventures being formed, he acknowledges, since investors are now more cautious. On the other hand, second generation biotechnology companies are more likely to succeed, having had the benefit of learning from the mistakes of their presors, he predicts.

Despite its problems, the industry is quickly moving toward commercialisation, say the consultants Arthur Young More of the industry's employ-ees now work in production. marketing or sales than in research and development, and industry investments in manufacturing facilities are projected to increase tenfold during the next five years.

US industry sales will exceed \$15bn by the turn of the century, Mr Shamel forecasts, with about half of those sales in human therapentics, one fifth in diagnostics, one fifth in agriculture and about 10 per cent in chemical and other special applications.

nears are highly creative peo-

ple, schooled never to accept

defeat, and therefore prone to

make unscheduled changes in

obstacles. BIL finds it has to

match this flexibility of mind.

evident in the activities of the

breakaway team of Abing-worth, formed when Mr David

Leathers, BIL's former invest

ment manager, left last year to

found a new trust along simi-

lar lines. As well as seeking

proposals from others, Abing-worth has founded a company

from scratch. That way you

get the people and structure

you went", explains Mr Step-

Mr Bunting talked widely

among pharmaceutical compa

nies about the untapped oppor-

tunities for biotechnology. He

wanted a company that would work closely with established

groups from the start. He decided the science to go for

was immunology, where the biggest opportunities lie in the

three areas of cancer therapy,

auto-immune disease and

organ transplants.

hen Bunting, also ex-BIL.

Flexibility of another kind is

direction or effort to overcome

Louise Kehoe San Francisco

PROCESS TECHNOLOGY

Unwanted isomers face elimination

and Fine Chemicals division in Huddersfield will bring on-stream what is claimed to be the world's first production plant synthesising a chemical by a biotransformation. The 25m investment will synthesise optical isomers of hydroxy alkanoic acids, initially as a berbicide intermediate. Another £1m investment by ICI at Billingham will provide the micro-organism needed as bio-

catalvst. Behind this project lies a growing belief in some quar-ters that regulatory pressures will increase rapidly for manufacturers to eliminate the unwanted one of any isomer

Isomer pairs are produced in equal amounts, but only one is biologically active

pair of organic compounds, where it is likely to come into contact with the environment, as in the case of an agro-chemi-

cal or pharmaceutical.

"Chemical processes produce isomer pairs in equal amounts, but normally only one will be biologically active. The other, at best, will be a harmless diluent - "isomeric ballast", as it is sometimes called; but at worst a toxic contaminant. It is believed that an unwanted isomer was responsible for the malformations caused by the drug thalidomide.

Biotransformation is a promising new way of eliminating the unwanted isomer from the start, instead of removing it later, by biosynthesis using enzymes as biocatalysts. The ICI process will be on the scale of 2,000 tonnes a year of the intermediate. It will use a process developed by ICI Biologi-cal Products at Billingham, which will continue to supply

the micro-organism.

Mr Frank Holt, business
manager responsible for biocatalysis at ICI Biological Products, believes that within a decade regulatory authorities will require companies to justify the presence of any "inactive isomer in biologically active products. His own market research has identified over 700 opportunities for biocatalysis to clean up isomeric mixture currently being made chemically.

man, director of new business development at International Bio-Synthetics (IBIS), the joint. biotechnology venture between Royal Dutch-Shell and Gist-Brocades of the Netherlands, of about 1,800 chemicals in common use as pharmaceuticals, about 1,000 are chiral, that is, they exist as isomer pairs, "as alike, and yet as different, as a left and right hand." Since 1982, Gist-Brocades and Shell have jointly been

They are 'as alike, and yet as different, as a left and

right hand'

investigating the biosynthesis of optically pure isomers at Shell's Sittingbourne research centre in Kent. This laboratory is also equipped with a pilot plant built originally for its development of single-cell-

One of 10 patents applied for so far concerns the anti-inflam-matory Naproxen [2-(6-methoxy-2-naphthyl) propionic acid, found in only one of the isomer pair of compounds. What was needed, says Dr Kooreman, was an enzyme capable of bydrolysing R-S-naproxen-methyl ester in a stereospecific manner to produce the desired single isomer, S-naproxe

A micro-organism called Bacillus subtilis Thai 1-8 pro-duced a suitable enzyme, but in amounts too small to be useful. The Sittingbourne scien-tists have genetically modified the microbe before incorporating it in the enzyme. The result is an 800-fold increase in productivity.

Dr Kooreman warns, how-

ever, that stereo-selective micro-organisms may not be a universal answer to the problem of purifying compounds which occur as isomer pairs. As the accompanying table suggests, costs of blocatalysis can be high. As he sees it, blocatalysis is more likely to be considered for the manufacture of a new compound than as a replacement for one already in production Separation and purification

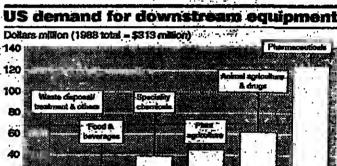
the downstream biotechnol-gies – will continue to be a growth market, according to a recent forecast from Frost & Sullivan.* In a survey of the US market, these researchers predict expansion in this sector from \$313m last year to \$781m in 1993 (constant 1988 US dollars). Two areas - filtration and liquid chromatographic separation systems - are expected almost to triple their sales over the five years.

The accompanying chart



Product development calls for painstaking laboratory procedures such as cell evaluation

CHEMICA	L VERSUS BIO	SYNTH	MSIS .	
	Chemistry		Blotechnolo	
oncentration	High		Low-	
olvent emperature	Organic -70 to 150°C		10 to 70°C	
electivity	Medium		High	
nantiovelectivity	- Cumbersome	27 y L	High	
ersatility .	High	→	Limited.	
elative costs	Low		Medium	



.7%

shows US demand from six manufacturing sectors for downstream bioprocessing equipment, including laboratory requirements, in 1988. Growth in demand from bio-research has already slowed down, but with products beginning to go into production, demand is being spurred for

Growth sectors identified by the market researchers include membrane filtration, which affords such advantages as high throughput and high capacity, easing technology transfers from laboratory to process plant; and high-pressure chromatography, which they find is adapting well to process automation and is providing high-resolution purification of such products as mono-

cional antibodies. clonal antibodies.

Chromatography is growing at the expense of the slower, less easily automated process of electrophoresis, they say. Nevertheless, they forecast growth in electrophoresis equipment from \$39m in 1986 to \$63m by 1998.

The laboratory market for centrifuges is rated "almost mature." Tubular and solidbowl centrifuges are losing ground to what is seen as the clear winner in this form of separation, the disc centrifuge. Their demand forecasts from

the six manufacturing sectors identified ranks pharmaceuti-cals as the biggest opportunity, growing threefold from \$125m last year to \$387m by 1993. The second biggest sector in 1988. veterinary drugs and animal agriculture, is expected to more than double demand, from \$61m to \$147m in 1993.

The Blotschmology Directorate of the Science and Engineering Research Council has made efforts to stimulate the downstream market for British process plant manufacturers.** SERC's recent review of hiotechnology summarises the importance of engineering in commercial biotechnology in general, noting specifically the importance of materials, as an area of research which strad-dies engineering and science.

Most of the advances in the key separation techniques of chromatography and ultrafil-tration have arisen from advances in materials," it states. It identifies "important interfaces between biomedical engineering and biotechnology which centre on materials,

Growth sectors are likely to include membrane filtration and chromatography

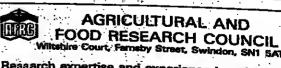
citing the use of immobilised proteins to purify blood; and the development of substitute materials for buman skin, made by biotechnology

A British bioseparation devalopment has recently received the accolade of a place in the industrial chemistry section of the Science Museum. This is the Blostream electro-phoetic sections

This is the Blostream electrophoretic separator made by C J B Developments.
Harwell's blochemistry group developed this prototype from research that began in Oxford University in the 1930s but lapsed for three decades. The original inventor, John St Ledger Philipot, provided designs on which Harwell investigated the engineering science and scaled up the proscience and scaled up the pro-cess to a £100,000 commercial product which has found mar-kets in the UK, the Soviet Union and Japan.

* Separation and purification equipment in the US biotech-nology market. Report No A2023. Frost & Sullivan Inc. \$2,275.

SERC Biotechnology Support: research and training 1980-2000. Available from the SERC, Polaris House, North Star Avenue, Swindon SN2 David Fishlock



Research expertise and experience in university and institute - based programmes on:-

gene transfer and genetic engineering of animals, plants and micro-organisms

novel approaches to cell culturing -

• protein engineering and antibody technology biological control of pests and diseases

A science base for UK Biotechnology

With the technology to improve all of the right through to the With the which offers higher osses in a range of Growing through plant biotechnology with AGC With the echnology for By applying 'State-of-the-Arr' techniques AGC are satisfying the needs of the agricultural and food product markets, the world over. AGC is helping products and profits grow through biotechnology Agricultural Genetics Company Limited, 154 Science Park, Milton Road, CAMBRIDGE, England CB4 4GG, Telephone: Cambridge (0223) 420882 Telex 817568 AGGENE G

nies trying to evaluate the merits of biotechnology own sales targets. Sales of Activase, forecast to exceed research firms and the opportunities for breaking into new \$400m last year, fell well short of \$200m. BIL's advisers say, Behind Mr Curnock Cook's team stands an eminent group however, they will continue to keep a close watch on the fallen star. Biotechnology generally is Now pharmaceutical alive and well, says Mr Jeremy Curnock Cook, the entrepreproducts of genetic neur-turned-banker who her engineering are BIL's team of advisers. Big reaching the market, businesses have begun to take the bio-entrepreneurs vary what happens to seriously, be says - with the growing enthusiasm for the also-rans? igint ventures such as Repligen Sandoz Research Corporation and Welgen, uniting Wellcome and Genetics Institute. In France, there is the exam-

of scientific advisers recruited nally by Lord Rothschild, and starting with Dr Sydney Brenner, of Cambridge, one of ple of Elf-Aquitaine, the oil group, investing venture capi-tal in blotechnology start-ups the world's most famous

For the big group, BIL is providing "third-party brains," saye Mr Curnock Cook. Its involvement as investor can help curb the natural tendency of the big corporate patron to interfere too much in the activities of an entrepreneurial investment. For its part, BIL finds big groups such as Elf often have a good nose for promising European blo-ven-tures and, increasingly, are bringing them to the trust's

BIL's experience in weighing the soundness of new ventures and of their principals, before parting with cash and, per-haps more significantly, giving them access to their own technological resources, Dr John Herrmann of BIL, a former Glazo executive, says he has been surprised how much more entrepreneurial spirit the middle management is howing in such companies.

Such groups are seeking point out. The blo-entrepre-

The bedrock of BIL's invest-ment portfolio is still US investments, both quoted and anquoted. Now that pharma-ceutical products of genetic engineering are reaching the market, the inevitable question is: what happens to the also-rans? One answer is a speedy marger between kin-

Genzyme Corporation's planned purchase of Inte-grated Genetics, both of Boston, Massachusetts, is an example. The merger provides Genzyme with genetically engineered drugs such as ery-thropoletin (EPO) to which it can apply its expertise in enhancing efficacy and safety, to give the company more market opportunities during the 1990s.

It provides Integrated Genetics with much-needed cash. And by merging two companies of about 200 people aplece, it gives BIL every incentive to re-assess its involvement in what will become a significantly different investment

"What we really need round here is a Moses," one US bio-venture told Mr Curnock Cook on a recent tour of BIL investments. As he sees it, BIL's ability to help answer the question: where are we goine? to help develop the strategic thinking of the company - is something other sources of venture capital for biotechnolozy cannot offer.

That means BIL must keep very close to its investments, Mr Curnock Cook is quick to

He approached Dr Alan Monro, head of immunology at Cambridge University, and a consultant to the Ahingworth fund, and persuaded him to abandon a 30-year career as a don, freeze his pension, and become research director to the embryonic Immunology Ltd. He also persuaded Dr Bill Duncan, managing director of Coopers Animal Health, the ICI-Wellcome joint venture in veterinary products, to become

its non-executive chairman. Now he is seeking the most crucial person of all, the chief executive who will build immunology into a new Brit-ish pharmaceutical group. The specification Mr Bunting and Dr Monro have drafted is daunting but calls for "above averything, strong business

David Fishlock



nts says that its BT 8500 Automatic DNA Synthesiser is simple enough for a non-chemist to use. The company started to develop its own products in 1985. But, says chairman Brian Lowings: "Most financial institutions don't appreciate the potential of DNA and peptide synthesis"

The backers in the boardrooms

NO MAJOR company more clearly identifies its future with biotechnology, than Monsanto, the US chemicals group, whose pharmaceuticals subsidiary last month amounced a major investment in Oxford, consolidating a blo

technology research partner-ship that began in 1983. G. D. Searle inerged with Monsanto in the mid-1980s but Monsanto in the mid-1980s but is still operating under its name, as a wholly-owned subsidiary. It has picked up. Monsanto's interest in the work of Professor Raymond Dwek and his colleagues in Oxford's biochemistry department, on glycobiology, a branch of biochemistry and the involvement of body sugars in involvement of body sugars in biological processes. In glyco-biology, the Oxford scientists lead the world, this company

believes.

Prof Dwek is exploring unique defects in sugars on glycoproteins, which he believes may be related to such diseases, as rheumatoid arthritis, tuberculosis, cancers and AIDS: He has already developed a blood sugar test which identifies arthritis in children. and he is beginning to test new treatments for some of these

For Searle — whose own hiotechnology research in Britain was ended after it merged, because of the overlap with Monsanto's own central research in St Louis - Oxford University is to be a new British research base, says Dr Sheldon Gilgore, chairman and

chief executive officer.
Searle is providing £2.9m towards the cost of the new Glycobiology Institute, directed by Prof. Dwek. Of the initial staff of 60 at the institute, 10 scientists are to be seconded from Monsanto's central laboratories. Searle will continue to fund the science itself - £1.1m this year, rising to £1.7m hy

single investment in academic biotechnology, Dr Gilgore says. Searle has a similar academic partnership with Washington University, St. Louis, where it helps to fund a score of research programmes, although none so hig as

glycohiology. But for Searle the opportunities for harnessing glycobiology straddle all four areas of drug research - cardio-vascu-lar, gastro-intestinal, central

ogy — on which it is focusing a pharmaceutical. If and D budget inceeding 2100m a year.

ICI is less clearly identified with biotechnology, than Monsanto, but the underlying trend is no different; with over half of ICI's R and D budget of 2400m devoted to bioscience, mainly for the pharmaceutical and agro-chemical sectors.

ICI's counterpart to Monsanto's Oxford investment is its long standing support for the reae arch of Prof. Bill Brammer at Leices ter University. For nearly a decade ICI has been I uniding a laboratory specialising in caucer and the expression of genes in mainmailian cell systems. Currently this laboratory has a stant of 12 including scientists seconded from ICI, which sees its research as a corporate core programme in molecular genetics.

For two major ICI divisions pharmaceuticals and agro-chemicals bidtechnology is the bedrock of R and D. But for five years ICI has been devel-

five years ICI has been devel-

oping a subsidiary devoted to biotechnology. ICI Biological Products is a federation of small hiotechnology businesses, operating as a small company independent of the big divisions. It reports directly to a main board director, Dr Peter Doyle, research director.

This year the company has received the honour of a paragraph in ICI's annual report under "emerging businesses." According to Dr John Russell, general manager of its portfo-lio of five inter-related but still embryonic bio-businesses: "We have the style of operation of a small company but the backing of a big one."

Dr Russell is careful to avoid the tetritories of the biology-based divisions. "We are not

trying to develop new drugs, agro-chemicals or seeds." But he will do R and D under contract for ICI divisions. For the group as a whole, perhaps the most pervasive opportunity opened so far hy his team lies

of biotechnology to make the desired one of a pair of optical Chemical processes produce

isomer pairs in equal amounts, hat only one will be biologically active. The other will, at best, be a harmless diluent, reducing process yield, and at worst a toxic contaminant that must be removed. Later this year, ICI Colours and Fine Chemicals division will bring on-stream what Dr Russell claims is the first production plant in the world making a chemical hy a biotransformation.

Sandoz, the Swiss pharma-Sandoz, the Swiss pharmaceuticals and chemicals group, has negotiated co-operative agreements with three US biotechnology research companies and a private research institute. One is a 60:40 joint venture between Sandoz Chemical Corporation in the US and Renligen Corporation. Repligen Corporation. -Repligen Sandoz Research

Corporation of Lexington, Mass., set up last September, is focusing initially on the devel-

and modifying (LDM) enzymes for use in papermaking, where it is hoped they will eliminate a toxic waste; and on Baccillus thuringiensis as a species-spe-cific microbe for insect control. Repligen transferred its technologies to the joint venture in exchange for equity, with Sandoz funding the R and D.

The other three partnerships relate to drugs. With Genelabs it is a research agreement in cytokines. Cytokines are biologically active substances -such as interferons and interlenkins - which help regulate the immune system. The partnership is seeking new cyto-kines derived from suppressor T-cells, that might be used to combat AIDS. The agreement is also being funded by Sandoz.

With the Wistar Institute, one of the first laboratories in the field of monoclonal antibodies, the target is new nnes which might treat tumours. With Genetics Institute, the target is development and manufacture of lymphnkines tailored to cancer chemotherapy, bone marrow transplanta-tion and AIDS.

Sandoz has also entered into Plough for co-development and co-marketing worldwide of the lymphokine GM-CSF (granulocyte-macrophage colony stimu-lating factor), regardless of whether the version it has licensed from Genetics Institute or the rival from Schersen for marketing.

A new partnership which has excited comment is that between Hoffmann-La Roche and Cetus, the Californian hlotechnology company, until recently rivals in the race to market Interleukin-2, naturally occurring protein with a role in defending the body against cancer. Cetus has genetically engineered a route to this drug and invested more than £10m to make it. Roche has rights to a Japanese version invented by the food group Ajimoto.

It promised to be a major legal battle until last December when the two companies ment on the technology although not the products. The unanswered question is

to what extent Cetus, while still laying claim publicly to plans of hecoming a major pharmaceutical group in its own right, has actually sold its hirthright to Roche.

A 15-year, \$3bn international project

It's all in the genes

AN INTERNATIONAL project to map the entire human genome, identifying the role of each one of perhaps 100,000 genes, has been launched in the US. So far, the functions of only a few thousand human genes have been defined.

The project will prohably cost at least \$3bn and take 15 years to complete. Some nations, including the UK, have already launched their own contributing projects. Late last month a press con-

ference called at Cold Harbor Lahnratory, the genetics research centre near New York run hy the Nobel laureate James Watson, announced the birth of the Human Genume Organisation, with 220 members among 23 nations. Dr Victor McKusick, a geneticist with Johns Hnpkins University, is its first president, and it plans to register in Geneva as a non-profit-making body.

Already involved in the ars several major US research-hased companies, such as Abbott Laboratories, Beckman Instruments and IBM, as well as specialist biotechnology companies. The more far-sighted see it as the basis of new drugs and protein products perhaps 20-30 years on, but a near-term opportunity for highly automated analytical tools, novel chemicals and information technology.

In Britain, genome mapping is a new earmarked project approved by the Advisory Board for the Research Councils earlier this year, when the board dispensed an additional £300m in the science budget for the next three years. The board said it gives high priority to this project and to the Medical Research Council's ldeas for an information and resource centre and a programme of directed research. The ABRC has earmarked £11m over the next three international project.

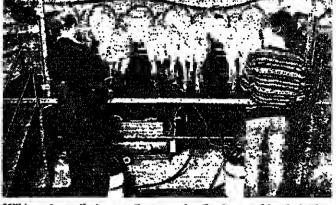
Four of the research councils now have hiotechnology research programmes. For the Agricultural and Food Research Council (AFRC), research involving transgenic animals accounts for about £4m a year. This is the devel-opment of true-breeding lines of large animals such as sheep hy micro-injection of foreign genes, to create sources of human proteins of therapeutic or diagnostic value.

For example, transgenic sheep at the AFRC Institute of Animal Physiology and a source of a human blood clotting protein, Factor IX (alpha-1-antitrypsin) guaranteed free from contamination by HIV (the AIDS virus) or hepatitis B. Edinhurgh Univer-sity, where the AFRC also funds work in the genetics department, is to host an interdisciplinary research cen-tre specialising in gene trans-

fers of this kind. Last year Pharmacentical Proteins, a commercial research venture, was set up in Edinburgh, with financial help from the Scottish Development Agency and others, to exploit the AFRC patents on transgenic animals. Its goals include raising the yields of Factor IX – which it believes may have a role in treating

The AFRC's main commercial venture in hiotechnology, however, is the Agricultural Genetics Company (AGC), born in 1983, as a vehicle for exploiting plant hiotechnology developments, along lines pioneered by Celltech in 1980 in respect of the Medical

Research Council. Cambridge-based AGC has built up a staff of 69 and is



Milking sheep that carry the gene for the human blood clotting protein Factor IX, at the AFRC's Edinburgh research station

supporting 93 scientists working at AFRC institutes. The AFRC itself is spending about £2m a year in six of its institutes on projects of direct interest to AGC.

AGC recently reported that in its first full year of opera-tion, its new technology transfer division has generated more than £1m. Licences for AGC's propri-

etary gene transfer technology for imparting insect resistance to crops have been granted to two US companies, Pioneer HiBreed International for corn and other crops, and Calgene for cotton. They are worldwids but non-exclusive agreements. allowing the AFRC's patented CpTI gene to be transferred to elite proprietary seed. The tar-get, says AGC, is to replace "a significant portion" of the £1bn world market for chemical insecticides used for corn and cotton alone.

A collaborative agreement

hetween AGC and Noovo CRAI, the central research and development centre of Italy's

helped by the improving eco-nomic climate — more were persuaded. A study by Sussex University's science policy research unit of the Protein Engineering Club, founded in 1985, reports that after three years it had created a close-knit research community in a field where it would not have happened spontaneously. However, the stndy also

recognised that creating such clubs required coosiderable research management time over half-a-man-year was estimated. Choosing the right programme manager was also a crucial matter, it found. The directorate Isnoched

two more clubs in 1986: the Animal Cell Biotechnology Clnb, and the Antiblotics and Recombinant DNA Clob.

A review of hiotechnology research and the performance of its Biotechnology Directorate was conducted by the SERC last year. As a result, the research council plans to expand its activities in research and training and

RESEARCH COUNCIL SPENDING 1988 Agricultural and Food (AFRC) Natural Environment (NERC) Science and Engineering (SERC)

Societa Mendionale Finanziaria (SME) group, aims to develop virus-resistant vegeta-hles hy genetic engineering. AGC has a gene technology emerging from the AFRC's Institute of Plant Science Research in Cambridge and the Scottish Crop Research Institute. It is claimed to coufer a totally novel form of

Genetic materials from a benign strain of the cucumber mosaic virus are incorporated into the plant to provide the target of the Anglo-Italian research collaboration, although AGC cautions that a commercial technology is still four years or more away.

The Science and Engineering Research Conncil (SERC) set up its Biotechnology Directorate in 1981, as a largely autonomous agency to help "stimu-late the application of biology to industrial practice." By 1987-88 lts founding director, Dr Geoffrey Potter, and staff of eight were administering a research hudget of nearly £5m. His six priority sectors included biochemical engineering, hloconversions and pro-

In each of these sectors the directorate has helped to organise either a co-operative industrial research club involving industrial as well as academic lahoratorles, or a major co-ordination of research with industrial part-ners. Over the period 1983-87, industry added £3.8m to an SERC commitment of £13.5m for biotechnology research.

reluctant to help fund the Bio-technology Directorate's programmes. But gradually

tein engineering.

foresees the directorate coutinning for another six years. Among the achievements this review has identified are the industrial development of research in "engineering" novel proteins by the Medical Research Council's Laboratory of Molecular Biology in Cam-hridge, and MRC units at Imperial College, Loodon. It reports "an explosive increase of activity in academia and inductor."

For protein engineering, the directorate has organised a cinb that has brought together "multi-disciplinary groups at different academic sites with overall management and close industrial supervision." The review notes the particular emphasis on the organisation of protein sequence and three-dimensional stroctural data into a relational database to be used as a design aid in protein engineering.

As for the Animal Cell Biotechnology Clnh, the review says that with animal cell culture playing an increasingly important industrial role in making monoclonal antibodies and combinant proteins for pharmacenticals, the cluh's programme was established to underpin the design of more efficient industrial

The focus is on a better understanding of the physiol-ogy of animal cells and, says the review, 15 months' experience has shown that it has been valuable to hring in groups whose previous experi-ence was in microbial physiology and hiochemistry.

David Fishlock

"DIAGNOSTICS

DNA may tackle heart disease

THE TECHNIQUE of DNA or genetic fingerprinting now widely halled as the greatest hreakthrough in forensic science this century - was discovered only five years ago by Professor Alec Jeffreys of Leicester University.

45 4 2 3

1-2-3-2

It was first used in a major criminal investigation in 1987, to track down the killer of two teenage girls in Leicestershire, and legal history was made later that year when the first rapist was convicted on the

basis of his DNA fingerprint.
Forensic scientists world-wide now use the technique for investigating rape and murder cases. If any genetic material has been left behind at the scene of the crime - in semen or blood or even a hair root -it is often possible to obtain a unique DNA fingerprint or pro-file of the criminal. By match-ing this against DNA fingerprints taken from suspects. police can unequivocally eliminate the innocent or identify

the guilty.

The same technique is used

routinely to resolve paternity disputes. Unlike conventional blood tests, which are often inconclusive. DNA fingerprint ing will show beyond doubt whether or not a man is the father of a particular child. And in the UK it is helping to prove claimed family relationships in immigration cases.

DNA fingerprinting will show if a man is father of a particular child. UK immigration uses it to check family relationships

DNA is present in every liv-ing cell, carrying the genetic code which determines the unique physical characteristics of every individual animal or plant. Genetic fingerprinting dentifies particular regions of identifies particular regions of DNA...(known as Jeffreys sequences) that vary markedly between unrelated individuals:

The technique, which has been commercialised in the UK by Cellmark Diagnostics, an ICI subsidiary, uses an III-stage laboratory procedure to "vis-ualise" the Jeffreys sequences as a pattern of bands on X-ray film, similar to a supermarket bar code. They are located with DNA probes — small pieces of synthetic DNA which attach themselves to the target

Genetic fingerprinting is only one of the new diagnostic procedures made possible hy DNA probes. According to a market research report hy Frost & Sullivan, world sales of DNA probes will have grown from almost nothing in 1987 to more than \$600m in 1992 (with the market in Western Europe put at \$269m). Most will be sed for medical diagnosis. Although the highly variable

Jeffreys sequences are genetic material in the sense that they are passed on from one genera-tion to the next, they come into a category sometimes known as "junk DNA." They

are not genes coding for particular proteins - indeed their function, if any, is unknown. Real genes are far less variable. A single change in the DNA sequence of a functional

gene will often cause a serious or fatal disease. Medical scien-tists worldwide have carried out a lot of painstaking research to pinpoint the genetic faults responsible for the major inherited diseases, hut most have not yet been precisely identified. In many cases, researchers have got very close to the genetic defect by studying affected families but not yet to the defect itself.

DNA probes to identify sin-gie-gene disorders are therefore still mainly a research tool. However some hospitals are beginning to use them to screen groups at risk from per-ticular inherited diseases.

A good example is thalass mia, a serious blood disorder which particularly affects peo-ple of Mediterranean origin. King's College Hospital in Lon-don offers a thalassaemia screening service to Cypriot families. Doctors remove a tiny sample of foetal tissue (known as chorionic villus) from women in about the eighth week of pregnancy and apply DNA probes to detect the genetic defect known to cause thalassaemia. If the test is posi-

early abortion. DNA probes are soon likely to be used widely to diagnose other relatively common single gene disorders, such as cystic fibrosis, muscular dystrophy and Huntingdon's disease, early in pregnancy. But each of these diseases

tive, the woman can have an

affects fewer than one in a thousand of the general population. Later in the 1990s, DNA the gene that makes a partico-probes will be developed to lar strain of bacteria resistant identify susceptibility to far to an antibiotic. more common diseases, which have multiple causes including a strong genetic component. The most example important is

likely to be coronary heart dis-ease - responsible for about a quarter of all deaths in industrialised countries.

Another Frost & Sullivan report estimates that the potential US market for prognostic tests of this sort could exceed 100m tests per year. Their use will provoke

Should employers be allowed to test employees' genetic susceptibility to occupational diseases?

much ethical debate. For example, should employers he allowed to test employees' genetic susceptibility to occu-pational diseases? Should insurance companies ask cli-ents to be tested for suscepti-hility to heart disease?

Of course, DNA probes can also identify non-human genetic material. The most important application here is identifying hacteria and viruses. During the 1990s DNA probes are likely to compete with the other recent break-through in diagnostic technol-ogy – tests based on highly specific (monoclonal) anti-bodies.

They will be used not only by doctors to diagnose diseases in patients but also by the food and water industries to detect contamination. These DNA probes may be either fairly general, for example to detect a range of organisms that cause gastroenteritis, or very specific, for example to identify

> Clive Cookson Technology Editor

Bringing science to life

At Amersham, we're uniquely placed to help tomorrow's advances in biotechnology just as we played a key role in yesterday's.

Our products helped crack the DNA code which paved the way for genetic engineering. Since then we have continued to expand our horizons - and help our customers expand theirs.

Today we provide more products for the development of biotechnology than for anything else. And we supply them to just about every biotechnology company, pharmaceutical house, university and research institute in the world.

Cloning and sequencing systems Restriction and modifying enzymes Nucleic acid and protein labelling systems Reagents for immunology Products for cell biology Growth factors and lymphokines

We are committed to applying biotechnology to research. But now we're also applying it to everyday life in a new range of rapid tests for bacteria that will be revolutionary for the food industry.

Telephone Little Challort (02404) 4444

Amereham International pic Little Challont, Bucks HP7 9NA

Imersham

UK Sales Aylesbury (0296) 395222 Amerikan Australia FTY Ltd Sydney 868-2288 Amerikan Belgium SAMY Sn Amerikans Buchler GmbH & Co KG Braunschweg West Gernany (05907) 8080 Amerikan Canada Lad Oskylle CN raham Buchlér GmbH & Co KG Braunschweig West Germany (05307) 8080 Annersheim Canada Lad Oskville, ONT (416) 842 2720 where Corporation Arington Heights, L. USA (312) 364 7100 Amerikatin Denthack Ap8 Birthrad 02-82 02 22 white Review & Paris (1) 64,28 8.00 Amerikatin Japan Rojo (03) 516 5161 Amerikatin Nederland SV Houten 03403 76660 whem Norway Sendvika 02-54 63 18 Amerikatin Sweden AB Scha 06-734 08 00

Biotechnology Investments Limited

INVESTING IN YOUR SUCCESS

Biotechnology Investments Limited is a publicly quoted company specialising in investing worldwide in quoted and unquoted biotechnology and health care companies.

If you are setting up a company or expanding your existing business and want to benefit from our unique blend of investment and scientific expertise, then shouldn't you be talking to us?

For further information, please contact our Managers, NM Rothschild Asset Management (CI) Limited, on 0481 713713 (Peter Moore), or at the address below:

العام الماري ومعارض إنجاز إنجاز المطابعة بعداله أسا

Registered Office: St Julian's Court, St Peter Port, Guernsey, Channel Islands.

The issue of this advertisement has been approved by N M Rothschild Asset Management Limited, a member of IMRO.



BOGART DELAFIELD FERRIER

* TECHNOLOGY ASSESSMENT * DUE DILIGENCE AND RISK ASSESSMENT * INVESTMENT APPRAISAL * INTERNATIONAL MARKET RESEARCH * STRATEGIC ANALYSIS * CORPORATE PARTNERING

By Bridget Bloom, Agriculture Correspondent

MORE INFORMATION will be needed on two key issues before the National Farmers' Union is able to judge whether it can fully accept the British Government's new plans to curb nitrate pollution of water supplies, Mr David Naish, deputy President of the NFU, said vesterday.

yesterday.

Mr Naisb was commenting on the Government's propos-als, published earlier this week, to set up experimental zones where restrictions on the use of nitrate fertiliser and other agricultural practices would be introduced in an effort to lower nitrate levels in Britain's drinking water sup-

plies.
Mr Naish named the issues as the number and extent of these new nitrate sensitive areas (NSAs), and the criteria by which the Government would judge whether or not farmers should be compensated. Actual amounts of compensation would obviously also be critical. Mr Naish

Launching the proposals in a suggested as good practice, consultative document on such as ensuring that arable

Tuesday, Mr John MacGregor, Minister of Agriculture, refused to be drawn on tha number or geographical extent of the intended NSA's, or on likely compensation. These were questions which would be settled later in the summer after consulting interested par-

atter constiting interested parties, he said.

The NFU believes the Government will decide to create
between ten and 20 NSAs to
ensure that a wide range of
conditions and curative measures could be tested. While
NFU officials say each zone
need he no more than a few
hundred acres for successful hundred acres for successful scientific tests, they think the Government will decide to

make them larger.
The Government has said that it will compensate farmers asked to adopt measures which go beyond good agricultural practice. But that concept needed to be precisely defined Mr Naish said. Up to now, it had tended to mean what farm-ers found cost-effective, but some measures now being

land had a cover crop during the winter, could prove costly

Broadly, however, the NFU welcomed the Government initiative, and was pleased that the schemes were to be volun-

Mr Naish acknowledged that incidents of water pollution by farmers had increased by 6 per cent last year, although farmers still only caused 20 per cent of all water pollution incidents. Commenting on a speech on

Wednesday by Mr Nicholas Ridley, Secretary of State for the Environment, which was critical of farmers' pollution record, Mr Naish maintained that farmers were now doing a great deal to combat evironmental pollution in general Mr Ridley's criticisms seemed inopportune, given that the Government wanted farmers' co-operation on its new NSA

schemes, he said.

The Conservative-controlled Association of District Councils fears that government plans to allow farmers to develop non-farming enterprises without planning permission will do irreversible

damage to rural areas.

Mr Cyril Benton, cabirman
of the ADC's planning
committee, said yesterday that
local authorities understood the financial pressures on farmers as the amount of land needed for food production declines, but they also knew the importance of protecting tha priceless beauty of the ountryside.
Mr Benton was commenting

on proposals from the Department of the Environ-ment, published earlier this week to extend the system of so-called permitted develop-ment rights, which already exempts farmers from plan-ning permission on their farming operations, to their nonfarming enterprises.
Since 1948 rural landowners

and planners had worked together to achieve a balance between farm development and countryside protection, Mr Benton said. The Govern-ment's proposals should not be allowed to put those achieve-ments at risk.

'set to fail again'

By David Blackwell

THE INTERNATIONAL Coffee Organisation's reconvened meeting early next month on the future of the international agreement is unlikely to be any more successful than the April meeting, according to the latest coffee proper from E.D. & April meeting, according to the latest coffee report from K.D. & F. Man, the London trader.
But it is the duty of the consumer and producer sides to keep their options open as long as possible. This implies that no decision will be reached before September 30 when the current agreement

when the current agreement expires.

Meanwhile the present reluc-tance of both exporters to sell and importers to hay will continue, the former through optimism for a new agreement, the latter for the possibility of none, says the report.

The market, therefore, will continue to recemble nothing.

continue to resemble nothing so much as a slow bicycle race in which, provided that nobody actually fails off, the last home

Coffee talks | Bleak outlook seen for silver

By Kenneth Gooding, Mining Correspondent

THE FALL in tha price of silver below \$6 a troy ounce this year has forced the closure of some marginal mines and analysts do not hold out any hope of a substantial recovery in the short term.

Looming over the industry, too, is the possibility that Peru might attempt to solve part of its US dollar reserve shortage by selling some of its stocks of refined silver on the open market.

ket.
"The effect on the silver price could be devastating, with repercussions right through to 1990," suggests the mining team at Ord Minnett, the securities house.
United Keno Hill Mines, 33 per cent-owned by Falconbridge, has shut its three-silver mines in the Galena Hills area near Elso in the Yukon, Last

near Elso in the Yukon. Last year Keno produced 1.74m ounces of sliver and 6.2m lbs of

Agnico-Kagle Mines, which produced 1.35m ounces of silver in 1988, plans to suspend silver production next month at its three mines in the Cobalt area of Toronto. The company says it probably needs a silver

price of about \$9 an ounce to break even.

This is "reminiscent of the poor state of the industry in the early 1980s when a number of US mines were put onto care and maintenance due to unprofitability," says Ms Rhona O'Connell, precious metals analyst in Shearson Lehman Button's London met-

als research team.
She points out that another notable recent closure was Hecla Mining's Escalante mine in south west Utah but this was because it was running ont of ore rather than low

prices. In Shearson's quarterly precious metals review, Ms O'Connell recalls that most new production of silver is not not price sensitive as it is a by-product from lead, zinc or gold mines.

gold mines.

High prices for base metals are encouraging companies to maximise production and she forecasts that mine supply of silver will grow by 895 tonnes or 8.6 per cent this year to 11.200 tonnes. Ms O'Connail says that

silver has emerged whenever the spot price has dropped below \$6 an ounce but "a test of \$5.50 cannot be ruled out." She estimates that the silver price will average \$6 an ounce this year down from \$6.53 last year and more than \$7 in 1967. year and more than \$7 in 1987.
Ord Minnett's analysts, led
by Mr Reg Eccles, suggest the
price will average \$5.75 this
year and in 1990. "We still
anticipate quotations remaining above the costs of production of all but the most marginal producers."
This forecast includes an
assumption that the Peruvian
Government will not sell its
sliver stocks.

silver stocks.

Ord Minnett says that, as further expansions and reactivations of lead and zinc mines vations of iead and and as new gold mines also come on stream, the expansion in pro-duction of silver which is insensitive to price will con-

time.
It adds: "With the supply demand gap widening over the next two years as the world economy slows, the annual addition to inventories is likely to exceed 3,000 tonnes in 1990."

Yeutter faces tough decision on soya oil

MR CLAYTON Yeutter, the US Agriculture Secretary, said yesterday that the US Department of Agriculture had no: yet made a decision on whether to propose offering subsidised soyabean oil to the Soviet Union, reports Renter from Washington.

He told the House Agriculture Committee an offer of soyabean oil under the Export Enhancement Program would be "considerably different" from a recent offer of subsidised wheat and would raise sensitive trade policy issues.

"We have not yet made a decision within USDA, let alone interagency," Mr Yentter said. Typically the USDA must propose an EEP offer to other agencies in the Bush adminis-tration before it can be com-

Mr Yeutter said he had felt very strongly that there were ample reasons to offer the Soviet Union subsidised wheat. "The parameters of other subsidy transactions are con-siderably different," be said. He said soya oil subsidy offers were more complex hecause they competed with non-subsidising foreign com-

petitors.
"Each time we make a subsiget a lot of criticism," he said. That's wby this is a tough

Nancy Dunne writes in facing increased pressure from the the farm lobby for the sub-sidised soya oil sale. 1.5m tonnes of subsidised wheat to Moscow was called into question because of the low level of wheat stocks, vegetable oil stocks are at record high levels - 3.5bn lbs, including 2.9bn lbs of soyabean oil.

Estimates of the proposed sale range between 200,000 and

500,000 tonnes. Senator Robert Dola, the Senate Republican leader who successfully lobbied the presi-dent for the wheat sale, has also written Mr Bush to press for the sale of vegetable oil. He said a bonus of about \$150 would be required for each tonne of oil sold, but "as a value-added product, the benefits to the US agricultural economy of exporting vegetable oil are considerably greater than exports of hulk commodities."

The EEP has been in considerable trouble because of charges that it has moved away from its original purpose of challenging EC subsidies. Senator Dole said subsidies on vegetable oil would be in accordance with the programme's design because "a very aggres-sive and highly subsidised European export program has cut into our foreign markets and caused our oil surplus to

In testimony on Wednesday, Mr Clayton Yeutter, the US Agriculture Secretary, said an dministration decision on the future of the EEP would be made in the near future. The USDA is required by law to spend \$770m to finance EEP

sales this year.

Time running out for Ethiopian agriculture

Julian Ozanne on the problems which are forcing a change in the direction of reform

THREE YEARS ago the peasants around the town of Akaki, on the windy plains of central Ethiopia, lived a scattered, individualistic life. The marxist revolution of 1974 had overthrown the oppressive rule of feudal landlords, national-ised land and handed it over to the tillers to use. But not much bad really changed in their medieval existence.

Now, as part of a drive towards modernisation, most of them have been gathered up into arbitrarily chosen commu-nal villages. On the orders of cadres from the Workers Party of Ethiopia thousands of peas-ants tore down their mud and stick homes, carried the pieces a few miles and rebuilt them at a spot designated by the party. Out of an estimated peasant population of 33m about 15m already been "villagised" in the higgest and swiftest mass relocation in the history of the African continent.

At Kilinto, a model village 10 km from Akaki the villagised peasants unanimously sing the praises of this policy.

In a meticulously clean tinroofed mud hut, decorated with colourful pie charts and bar graphs showing the latest

surge in agricultural productiv-ity. Comrade Asrat Keile. chairman of the Kilinto Peasant Association, explains why the peasants easily accepted communal living. In Kilinto villagisation has provided better homes, a shop, protection and the promise of electricity, a clinic and school. "When somebody got sick



President Mengistu: Growth

before there was no one to help in a scattered place. So we came together in one place where we can help each other,"

This is the positive side to a process which has come under widespread attack from Ethlo-pians and western aid workers, who say that in most parts of the country peasants have been physically forced to aban-don their homes and plots of land to move into villages which can be more easily con-trolled by the party and which show no signs of acquiring the social services promised.

The jury is still out on the effects of the Government's resettlement policies and the drive towards collectivisation of the agriculture sector. But it is clear that a major transformation is taking place. Agriculture is, and always

WORLD COMMODITIES PRICES

Kerb close Open Interes

Ring turnover 25,900 tonn

Ring turnover 31,125 tons

35.645 lots

73.628 lots

Pling turnover 0.023

310 lots

10,259 lots Ring turnover 1,982 tonne 7,689 lots

May Jun Jul Sep Dec

125,40 124,75: 124,86 121,00 118,00

125.20 123.80 122.60 119.70 117.80

Ring turnover 16,175 toons

pla's economic growth. It accounts for 40 per cent of GDP, 30 per cent of employment and 85 per cent of exports. And its performance management over the past decide has also played its part decide has also played its part. inevitably has a ripple effect on other sectors.

The severe droughts of 1984-85 and 1987-88 made Ethiopla dependent on emergency international food relief. In 1984-85 essentially rainfed production dropped nearly 23 percent to 4.9m tonnes. It recovered to its 1983 level of 6.4m tonnes in 1986-87 before suffering a 21 per cent drop in 1987-88. International donors, including the Soviet Union, provided 12m tonnes of food aid in a dramatic emergency operation in 1987-88. The UN Food and Agricul-

ture Organisation says production will reach an estimated 7.4m tonnes this year but this will still fall short of the needs of a rapidly expanding popula-

tion.

Ethiopia's population is currently 47m and is believed to be growing at about 3 per cent a year. With more than 1m extra mouths to feed each year. there is a chronic and expanding food deficit. On present trends, by the year 2000 Ethio-pla will have a population of 65m to 67m people. To feed that population agricultural produc-tion would need to double to about 14m tonnes over the next

"The situation is extremely dramatic. Unless something radical is done quickly it will between regions were removed be impossible to escape the

US MARKETS

IN THE METALS, gold and silver

advanced as short covering in front of

of 575 before local selling pared further

trade seiling kept cocca prices steady. Sugar railied early from buy stops and

ssion house buying against

Fridays U.S. producer price figures

elected buy stops, reports Drexel Burnham Lambert. June gold peak

copper futures higher. In the softs,

reform.

recurrence of mass starvation." said Dr Ingo Loerhroks, an to allow the transfer of pro-

while day weather has been the most obvious culprit mis-management over the past decade has also played its part in Ethiopia's agricultural prob-

Inadequate price incentives, collectivisation, low use of fer-tiliser and improved seeds, poor use of resources, bad marketing carried out by ossified state corporations and insecu-rity of land tenure have been the biggest problems.

Ethiopia's peasants have no right of ownership to land, only right of use. This insecu-rity has lead to severe soil erosion and a brutal consumption of resources without any regenerative activities. Also as the population grows land holdings have become increas-ingly fragmented. Until now wage labour has also been banned leading to increased pres-

sure in the rural areas.

Slowly the crisis in Ethiopian agriculture and the need for radical rethinking of policy is being driven home to the communist party hierarchy.

After concerted pressure from Soviet and Western economists, and a long dialogue with the European Comminity, early last year the Gov-ernment took the first tenta-

Producer prices were raised by an average of 7.7 per cent. and physical and invisible bar-riers to the movement of grain

tive steps down the path of

duce from surplus regions to areas of need. Private grain traders, who disappeared inthe 1970s, were given licences and farmers allowed to sell their surplus on the open market rather than exclusively to the Agricultural Marketing Corporation. Work also began on encouraging better use of inputs, reforestation and devel-

oping agricultural research and extension. Encouraged by these reforms the World Bank and the EC eased \$160m worth of funds to the agricultural sector, mainly for fertiliser and other priority inputs. Liberal reform: ers inside the Government used this to argue for a bold statement of policy change in the President's report to the ninth plenum of the central. committee of the Workers Party of Ethiopia last Novem-

"If we ask what sert of growth there has been in agricultural production after all this support and struggles we will find that the answer is not encouraging." President Mengistu said.
Too much attention to state

farms, which account for only its next five year plan.
3 per cent of production, and "It is too early to judge how blamed for bringing about poor production.

tion there is no way in which the productivity of our farmers can be promoted in a capitalist style," he said.

A list of reforms is presently

A list of reforms is presently

CRUDE Off. (Light) 42,000 US calls \$/berrel

being considered inside the Ministry of Agriculture to help reach food self-sufficiency and boost exports. They include: concessionary leasing of land for periods of up to 25 years; encouraging private commer-cial farming, hiring of labour; devoting less resources to state farms; establishing rural small scale and cottage private industries; and more liberal pricing and marketing policies.
The most important and the most politically sensitive of these issues is fundamental province of land traum. In the reform of land tenure. In the face of mounting balance of payments deficits and a critical shortage of foreign exchange, Ethiopia must seek to boost its experts. Increased production of the country's number one foreign exchange earner, cof-fee, and other cash crops like tea and cotton will depend on more secure land bolding, better price incentives and less

government taxation.
This will ultimately mean less government control -something considered risky by many party chiefs. At the moment the debate over how much reform is intensifying as the Government prepares for

But the Government wants to introduce new policies without "Unless we accelerate changing the very nature of changes in relations of produc- the socialist regime. In this sense the agricultural reforms are more similar to China in tha early 1980s than Sovietstyle perestroika," said one

Chicago

12 54

LONDON MARKETS

While the recent US offer of

ALUM(N(UM prices on the LME firmed yesterday amid continued concern about tightness of supply for July delivery dates. Traders said the tightness still appeared to reflect traders holding on to July delivery metal against potential commitmenthe options market. Copper prices sased. "The market seems to have run Into something of an impasse as many operators ere now wary of selling ehort in anticipation of a bounce after the recent sherp decline," a leading trade house dealer said. Gold moved ahead following the upward momentum on Comex, which reflected concern over the increased tension in Panama, But

ounce. May robusta coffee prices rose again amid continued concern about a shortage of lenderable spot supplies.

SPOT MARKETS

Crude oil (per barrel FOB)		+ nt -
Oubei Breni Stend W.T.I. (1 pm est)	\$15.60-5.75q \$16.50-8.55q \$20.12-0.17q	+ .575
Oil products (NNE prompt delivery per to	-	+ or -
Premium Gasoline Gas Oil Heavy Fuel Oil Naphtha Petroleum Argus Estimates	\$256-261 \$145-147 \$87-89 5184-186	-2½ +3 +2 +6½
Other		+ or -
Gold (per troy oz) Silver (per troy oz) Silver (per troy oz) Platinum (per troy oz) Patiadium (per troy oz)	\$379.00 567c \$634.75 5159.0	+1.75 +1 -2.00 -0.5
Aluminium (Iree market) Copper (US Producer) Lead (US Producer) Nickel Iree market) Tin (European free market) Tin (Kuala Lumpur market) Tin (New Yesk) Zinc (US Prime Western)		+25 -5 +20 +0.14
Cattle (live weight)† Sheep (dead weight)† Pigs (live weight)†	119.13p 257.06p 84.21p	-2.16° -3.03° -5.11°
London daily sugar (rew) London daily sugar (white) Tate and Lyla export price	\$309.6u \$353u £297.5	+22 +2 +1.6
Barley (English feed) Maize (US No. 3 yellow) Wheat (US Dark Northern)	£104.25w £133.0 £126.00u	
Rubber (spoil® Rubber (Jun)® Rubber (Jul) ® Rubber (KL RSS No 1 Jun)	63.60p	-0.75 -0.75 -0.76 -3
Coconut oil [Philippines]§ Palm Oil (Malaysian)§ Copra (Philippines)§ Soyabeans (US) Coston "A" index Wooltops (64s Super)	\$607.5u \$406q \$370 \$201 77.55c 620p	-1 +0.50 +2
£ a tonne uniesa otherwise c-cents/lb. >-nnggi!/kg. v-	stated. p-per Jun/Jul. u-M.	ice/kg.

nmission average fatatock prices. * change from a week ago. Whondon physical market

COCO	A E/tonne			LONDO	M MET	AL EXCH	NOR		Prices suppl	led by /
	Close	Previous	High/Low		Clos	e	Previous	High/Low	· AM Offi	cial k
May	697	690	701 691	Alumini	NO, 99.7	% purity (per tonne)			
Jul	712	711	716 707	Cash	2380	0-90	2300-10	2330/2325	2325-30	
Sep	729	727	734 725	3 month	s 2177	7-80	2145-50	2180/2150	2152-5	2
Dec	776	772	775 769	Conne	Grada	A (£ per tor				
Mar	771	767	773 763							
May Jul	777 782	776 789	780 770 795 785	Cash 3 months	1686 s 1674		1693-6 1677-8	1696/1 0 93 1683/1670	1693-4 1681-2	7
Turnov	er:5688 (7	410) lots of	10 tonnes	Silver (U	S cents	/fine conce	9)			
price k	ndicator i	prices (SDF 921.64 (926	ts per tonne). Dally 3,44): 10 day average	Cash 30 June	562- 569-		561-4 569-72		560-1 565-8	
HOF ME	y 11: 947.	21 (951.04)		Land (£	per ton	ne)				
COPPI	EE E/tonne			Cash 3 months			376-5 369-70	380/373	386-7 376-7	. 3
	Close	Previous	High/Low	Nickel (3	per for	me)				
May	137B	1360	1380 1340	Cash	1410	00-200	13900-4000		13900-40	W1
Jiy	1152	1148	1154 1139	S month		10-50	13750-800	13750/1369		
Sep	1086 1064	1065	1087 1075	Tion do	salal Lik	ah Ganda A	S per tonne)		10000 10	
Nov Jan	1064	1061	1065 1058 1083 1058				per tonne)			
Mar	1065	1067	1058 1055	Cash		-700	1680-90	1705/1696	1700-5	
May	1065	1000	1058 1058	3 months			1612-5	1620/1615	1615-20	1
		431) lots of		Zinc (5 p	er tonn	e)				
ICO in May 1	dicator pr	daily 115	ents per pound) for 08 (115.72), 15 day	Gesh 3 months	1910 1560		1610-20 1550-5	1615/1812 1565/1555	1612-5 1560-5	11
SUGAI	t (\$ per to	nnel								
Rew	Close	Previous	High/Low	POTATO					LONDON BI	JLLION
Aug	283.00	279.20	283.00 278.60		Close	Previous			Gold (fine oz) 5 price
Oct	281.00	277.40	282.20 276.80	Nov	92.5	91.Q	92.5 91.0		Close	378-4-4
Dec	275.00	278.00	276.00		100.0	100.0			Opening	377-37
Mar	268.80	268.00	269.40 267.20		155.8 175.0	147.7 162.0	155.0 146.5 181.5		Morning fix	377.7
May	268.00	288.00	268.00						Alternoon fix	
White	Close	Previous	High/Low	Tumover	394 (32	(9) lots of	60 tonnes.		Day's high Day's low	379-370 377-37
Aug	350.00	347.00	351.00 345.50	SOYABE	AR ME	AL Chonne			•	
Oct Dec	335.00 322.00	331.00 327.00	336.00 329.00 322.00		Close	Previous	High/Low		Colos	4
Mar Mar	321.50	319.00	322.00 317.00				INGIN COM			\$ price
May	319.00	316.00	318.00 317.00		157.00 148.00	158.50 151.00	151.00 150.0		Mapleloal	390-390
AUG	319.00	-	316.00 317.00		148.00	150.00	150.00 146.0	va .	Britannia :	390-39
Turnov	er: Raw	8964 (2501)	tots of 50 tonnes.		100.00	153.50	152.00	-	US Engle Angel	390-390
	35 (485).			Turnover	145 (50	liots of 20	tonnes.		Krugerrand	37712-

NOA	(\$ per to	nnej							
law	Close	Previous	High/Low	POTAT	OES Elto			LONDON	WL
Aug	283.00	279.20	283.00 278.60		Close	Previous	High/Low	Gold (fine o	z) 5
Oct	281.00	277.40	282.20 276.80	Nov	92.5	91.Q	92.5 91.0	Close	33
Dec	275.00	278.00	276.00	Feb	100.0	100.0		Opening	3
Mar	288.80	268.00	269.40 267.20	Apr May	155.8 175.0	147.7 162.0	155.0 148.5 181.5	Morning fix	37
May	268.00	288.00	268.00					Alternoon f	
White	Close	Previous	High/Low	Tumovi	er 394 (32	(a) lots of 4	g tonnes.	Day's high Day's low	37
Aug Oct	350.00 335.00	347.00 331.00	351.00 345.90 336.00 329.00	SOYAL	EAR ME	AL Chonne	· · · · · · · · · · · · · · · · · · ·	_	
Dec	322.00	327.00	322.00		Close	Previous	High/Low	Coins	- \$
Mar	321.50	319.00	322.00 317.00	Jun	157.00	158.50			_
May	319.00	316.00	319.00 317.00	Aug	148.00	151.00	151.00 150.00	Mepleleal Britannis	: 30
Aug	319.00	-	316.00 317.00	Oct	148.00	150.00	150.00 146.00	US Eagle	3
Turnov	er: Raw I	8964 (2501)	lots of 50 tonnes.	Dec	100.00	153.50	162.00	Angel	30
	35 (485).			Turnovi	er 145 (50	liots of 20	tonnes.	Krugerrand	
			: Aug 2250, Oct 2155,					New Sov	
Dec 216	20, Mar 2	060, May 2	056, Aug 2046.	PRINCI	HT FUTU	RES 510/inc	lex point	Old Sov. Noble Plat	. 5
RUDE	Off. \$/be	rrel			Close	Previous	High/Low		
	Close		es High/Low	May 1	1713	1694	1713 1808 ·		_
				Jun	1629	1625	1630 1615	Silver fix	p
lui .	17.45		17.48 17.20 16.93 16.75	Jul Oct	1478 1587	1470 1560	1480 1475	Soot	33
₩g	16.92		16.93 16.75	Jan	1585	1590	1588 1580	3 months	34
PE Inde				Apr	1813	1800	1585 1608 1602	6 months	38
umove	w: 6015 (8	351)		ari	1727	1715	IOUD IOUZ	12 months	31
					» 429 (36			-	
LAS OI	L \$/tonna					7		LONDON N	ETAI
	Close	Previous	High/Low	GRAIN	S E/tonna			Aluminium	
un	144.25	141.25	144.50 140.00 144.00 139.60	Wheel	Close	Previous	High/Low	Strike price	
ui Wa	143.75 145.25	142.50	145.25 143.00	May	117.30	117.1Q	117.30 117.00) J K
ieg ieg	146.75	143.50	148.75 143.50	Jun	118.30	115.40	118.60 118.10	2000	
Cet	148.75	144.00	146.75	Sep	105.30	105.15	105.30	2200	
lov	147.75	146.50	148,25 147,50	Nov	107.55	107.35	107.60 107.50	2400	
)ec	148.75	147,88	. 148.75					Copper (Gr	ade /
urnove	r 8483 (8	362) lots of	100 torines	Berley	Close	Previous	High/Low	- 2650	
				May	108.50	108.60		2750	
FREST	AND W	ROSTABLE	29.	Sep	102.90	102.75	103.00 102.75	2850	
			Hemisphere are	Nov	105.7tt	105.45	100.75		
			Smiths 30-45p a	Jen	108.35	105.10			
			Royal Galas	Mar	110.00	110.60	11tt.75 110.80	_ LONDON PO	OX T
			VIB. Spania er at 80c-£1.30			155 (121), I 100 tonnes.	Barley 23 (50).	Coffee	
			ania strawberries					1080	
			erican cherries	940S //	ash Somi	ement) p/kg		1100	
			b and Spanish	-10-1				- 1150	
			ich. Jersey Royals		Close	Previous	High/Low	1200	
		40-60p a lb		Jun	110.5	110.5	1100		
			nglish celery is	Aba	108.5	108.5	108.Q	Cocos	
			Dutch cherry	Oct	111.8	111.5	111.5 111.6	850	
			b lb. Cucumbers	Nov	1122	112.0	112.0	700	
			45-750 a lb and	Feb	108.Q	108.0		_ 750	
	W. 4							_ /90	

							-
20 5	1615/1812 1565/1555	1612-5 1560-5		1560-5		11,36	B lots
			:				
h/Low		LONDON BU					
5 91.0		Gold (fine oz)				ednin	
72 8170		Close Opening	378 k	-3791	2	27 - 2 26-226	27 4
0 146.5		Morning fix	377.7	11-2		26.615	~2.
.5		Alternoon fix			2	27_033	-
HIGG.		Day's high Day's low	379-3 377-3				
:						·	
h/Low		Coine	\$ pric	X	2	equiv	alent
00 150	00	Mapleleal	390-3		2	34-237	
.00 150. .00 146.	00	Britannia : US Engle	390-3		2	34-237 34-237	
.00		Angel	367-3	82	2	32 2-2	35 ¹ 2
85.		Krugerrand New Sov	3771 ₂	-35012	2	26 2-2 3 2-54	2812
oint		Old Sov.	89-90		. 5	312-54	
h/Low		Noble Plat	540.1	548.65	3	23.8-32	8.95
3 1808							
0 1615		Silver fix	p/fine	oz .	U	S cts	equiv
0 1475 8 1560		Spot	338.7			64,00	
5		3 months 6 months	349.00			78.00 92.25	
8 1602		12 months	382.40			21.20	
	-						
		LONDON ME					
h/Low		Abuminium (\$			dia .		Puts
.3D 117.	00	Strike price \$	tonne		Sep	-Jul	Sep
60 118. 30		2000 2200	-	198	202 112	16 ·	105
.90 107.4	50	2400		97	67	181	209 348
		Copper (Grad	le A)	G	На		Puts
h/Low		2650		181	184	45	100
.00 102.3	75	2750 2850		120 75	135 96	86 139	154
.75	-	2030		13	***	139	213
.75 110.		LONDON PO)	TRA) (DEC	TTON	-	
ry 23 (5)	0).	Collee		Jul	-Sep	Jul	Sep
		1080	•		98		62
		1100 1150		50 55	73 54	30 65	87
h/Low		1200	- - ·	33 33	3-	83	118
ā		Cocos		Jul	Sep	Jul	0
.0 5 111.5		850					Sep
.0		450 706		66 29	48	4	20
		750		۵	24	47	46

nom									
POLIN	ained si	trong. Co	ifee tradir	ng was .	Sep .	4630	4786	4980	4840
Słow	. The li	vestocks	had profit	t taking	Oct	4980	4863	- 5000	495D .
		pork bell			Nov	5065	4986	5066	6010
		cash is			Dec	5125	5013	5150	5043
		continue			Jen	5120	6038	5120 .	5085
		were dow			Mar	4875	4093	4875	4675
		expected			- 6000	A 10 tone	es:\$/tonpe	43/8	
incre	eased h	og runs.	Good box	ed beef		Close	Previous	High/Low	
		nelped ke			May	1233	1229	1230	1225
		commerc			Jul	1158 1167	1160	1164	1400 .
		most of the			Sep Dec	1179	1189	1177	1162
		ex heving			Mer -	1182	1185	1189	1174
		y beans o			May	1192	1193	. 1193	. 1185
cent	s. The e	energy co	mplex re	bounded.	Jul	1155	1156:	1164	1150
to or	est stro	ng gaings	in all ma	arkets.	Sep ·	1235 .	1231	a .	0
JUNE	crude	oil edvan	ced on te	chnical	COFF	EE "C" 37	,500lbs; cer	ta/Npp	4
	ng as p ar level	rices ral(ed over t	he 20 ·	-:-	Close	Previous	High/Low	V 20 100
ООШ	M JOAGT				May	134.20	137.75	137.00	184.10
			٠.		Jul	127.40	128.41	129.20	127.00
•					Sep	121.00	122.50	123,70	121.88
					Dec	118,14	118.65	. 119,75	117.80
					Mar	116.68	118.88	117.50	116.80
V-	` ~		·• ·		May	116.76 118.00	117.38	0	Q
70	w Y	OFK			Sep .	116.50	116.75	Ö	0.75
	·							<u> </u>	
<u>orb</u>		az.; \$/troy o	.		2000	ik world	. TI" 112,U	do libe; denti	5/10e _ 1
						-			
	Close	Previous	High/Low		·	Close	Previous	High/Low-	
fay	381.5	377.7	379.8	379.6	301	12.72	Previous 12.45	High/Low	12.54
un	381.5 382.1	377.7 379.0	379.8 363.0	379.2	- Oct	12.72	Previous 12.45 12.47	High/Low 12.77 12.74	12.62
un ul	381,5 382,1 384.0	377.7 379.0 861.0	379.8 383.0 0	379.2 0		12.72 12.65 12.10	Previous 12.45 12.47 12.08	Hgh/Low- 12.77 12.74	12.62
un ul	381.5 382.1 384.0 385.7	377.7 379.0 861.0 362.9	379.8 383.0 0 385.0	379,2 0 363.1	- Oct	12.72	Previous 12.45 12.47	High/Low 12.77 12.74	12.62 0 11.92
un ul	381,5 382,1 384.0	377.7 379.0 861.0	379.8 383.0 0	379.2 0	Jen Jen Mar	12.72 12.65 12.10 12.02	Previous 12.45 12.47 12.06 11.98	12.77 >- 12.74 0 12.10	12.62
un ul ug ket	381.5 382.1 384.0 385.7 390.0 394.2 396.5	377.7 379.0 861.0 362.9 367.3 391.5	379.8 363.0 0 396.0 390.3 396.5 396.5	379,2 0 363,1 365,0	Jen Mer Juli Out	12.72 12.65 12.10 12.02 11.89 11.75	Previous 12.45 12.47 12.08 11.98 11.85 11.77	High/Low- 12.77 12.74 0 12.10 12.00	12.52 0 11.92 11.97
uri urg lect eb eb	381.5 382.1 384.0 385.7 390.0 394.2 396.5 402.9	377.7 379.0 861.0 382.9 367.3 391.5 396.0 400.4	379.8 363.0 0 385.0 390.3 395.5 396.5 402.3	379.2 0 363.1 386.0 391.5 396.5 400.6	Jen Mer Juli Out	12.72 12.65 12.10 12.02 11.89 11.75	Previous 12.45 12.47 12.98 11.98 11.85 11.77 ; cents/fbs	High/Low- 12.77 12.74 0 12.10 12.00 11.90	12.52 0 11.92 11.97
uri lect lec eb eb	381.5 382.1 384.0 365.7 390.0 394.2 396.5 402.9 407.3	377.7 379.0 881.0 382.9 367.3 391.5 396.0 400.4 404.8	379.8 363.0 0 386.0 390.3 395.5 395.5 402.3 0	379,2 0 363.1 365.0 391.5 396.5	Oct Jan Mer Jul Oct COTTO	12.72 -12.65 12.10 12.02 11.08 11.75 DN 50,000 Close	Previous 12.45 12.47 12.08 11.96 11.86 11.77 ; cents/fbs Previous	High/Low 12.77 12.74 0 12.10 12.00 11.90	12.62 0 11.92 11.97 11.90
uri lect lec eb eb	381.5 382.1 384.0 365.7 390.0 394.2 396.5 402.9 407.3	377.7 379.0 861.0 382.9 367.3 391.5 396.0 400.4	379.8 363.0 0 386.0 390.3 395.5 396.5 402.3 0	379.2 0 363.1 386.0 391.5 396.5 400.6	Oct Jan Mar Jul Oct COTTO	12.72 12.65 12.10 12.02 11.89 11.75 DN 50.000 Cigue	Previous 12.45 12.47 12.06 11.96 11.85 11.77 ; centu/ibs Previous 67.45	High/Low 12.77 >- 12.74 0 12.10 12.00 11.90 High/Low 67.72	12.62 0 11.92 11.97 11.90
uri lect lec eb eb	381.5 382.1 384.0 365.7 390.0 394.2 396.5 402.9 407.3	377.7 379.0 881.0 382.9 367.3 391.5 396.0 400.4 404.8	379.8 363.0 0 386.0 390.3 396.5 396.5 402.3 0	379.2 0 363.1 386.0 391.5 396.5 400.6	Oct Jan Mar Jul Oct Jul Oct	12.72 12.65 12.10 12.02 11.00 11.75 11.75 100 50.000 Cicee 67.80 88.05	Previous 12.45 12.47 12.08 11.98 11.96 11.77 ; conturities Previous 67.45 68.05	High/Low 12.77 > 12.74 q 12.10 12.10 12.10 11.90	12.52 0 11.92 11.97 11.90 67.04 67.04
un ul ug let lec eb pr un	381.5 382.1 384.0 385.7 390.0 394.2 396.5 402.9 407.3 (UM 60 b)	377.7 379.0 861.9 362.9 367.3 367.3 367.3 369.0 400.4 404.8 roy oz; \$7tro	379:8 383:0 0 388:0 390:3 396:5 398:5 402:3 0 y oz.	379.2 0 363.1 385.0 381.6 386.5 400.6 0	Oct Jan Mar Jul Oct COTTO	12.72 12.65 12.10 12.02 11.89 11.75 DN 50.000 Cigue	Previous 12.45 12.47 12.06 11.96 11.85 11.77 ; centu/ibs Previous 67.45	High/Low 12.77 >- 12.74 0 12.10 12.00 11.90 High/Low 67.72	12.62 0 11.92 11.97 11.90 67.04 67.01 67.20
tan ul ul ulg lec eb pr un LATII	381.5 382.1 384.0 385.7 390.0 394.2 396.5 402.9 407.3 (UM 60 b)	377.7 379.0 381.9 382.9 387.3 391.5 398.0 400.4 404.8 roy oz: \$700 Previous	379.8 383.0 0 386.0 386.3 386.5 386.5 402.3 0 y oz.	379.2 0 363.1 363.0 391.5 396.5 400.5 Q	Oct Jan Mar Jul Cot COTTO	12.72 12.65 12.10 12.02 11.26 11.75 ON 50.000 Cicee 67.80 98.05 67.65	Previous 12.45 12.47 12.08 11.98 11.96 11.77 ; contufties Previous 67.45 68.05 67.94	High/Low 12.77 > 12.74	12.62 0 11.92 11.97 11.90 67.04 67.51 67.20 68.00
tan ul ul ul ec eb pr un LATH	381.5 382.1 384.0 385.7 390.0 394.2 396.5 407.3 407.3 407.3 540.0 540.0 540.0	377.7 379.0 881.0 382.9 387.3 391.5 398.0 400.4 404.8 Previous 636.0 639.0 538.5	379.8 383.0 0 386.0 390.3 396.5 402.3 0 y oz. High/Low 0 544.5	379.2 0 363.1 385.0 381.6 386.5 400.6 0	Jul Jul Out GOTEN Jul Jul Jul Dec Mar Out	12.72 -12.65 12.10 12.02 11.09 11.75 ON 50,000 Ciose 67.80 68.05 68.05 68.05 88.05 88.10	Previous 12.45 12.47 12.06 11.96 11.96 11.77 10ents/fbs Previous 67.46 68.45 68.45 68.70	High/Low 12.77 > 12.74 2 0 12.10 12.00 11.90 11.	12.62 0 11.92 11.97 11.90 67.04 67.01 67.20
tan ul ul ict ec eb pr un LATII	391.5 392.1 394.9 395.7 390.0 394.2 396.5 402.3 407.3 407.3 60.0 540.0 540.0 541.0	377.7 379.0 881.0 382.9 387.3 391.5 398.0 400.4 404.8 roy oz: \$ftro Previous 536.0 539.0 538.5	379:8 383.0 0 386.0 390.3 396.5 396.5 402.3 0 y oz. High/Low 0 544.5 540.0	379.2 0 383.1 388.0 391.5 390.5 400.5 0 537.0 641.0	Jul Jul Out GOTEN Jul Jul Jul Dec Mar Out	12.72 12.65 12.10 12.02 11.20 11.75 ON 50,000 Cique 67.80 98.05 67.86 68.05 88.10	Previous 12.45 12.47 12.06 11.96 11.96 11.77 10-015/fbs Previous 67.45 68.45 68.45 68.70 15.000 lbs;	High/Low 12.77 > 12.74 = 0 12.10 12.00 11.90 11.90 - High/Low 67.72 58.10 57.91 58.10 58.10 58.10 - conts/lbs	12.62 0 11.92 11.97 11.90 67.04 67.51 67.20 68.00
tan ul ulg let ee eb pr un LATH let en pr	381.5 382.1 385.7 385.7 380.0 394.2 396.5 402.9 407.3 6UM 60 b Close 540.0 543.0 541.5 544.0	377.7 379.0 881.9 382.9 387.3 391.5 398.0 400.4 404.8 roy oz: \$/tro 636.0 638.0 538.5 538.0 640.5	379:8 383.0 0 386.0 390.3 396.5 396.5 402.3 0 y oz. High/Low Q 544.5 540.0	379.2 0 363.1 368.0 391.5 390.5 400.6 0 537.0 537.0	Oct Jan Mar All Oct COTTO Oct Dec Mar Oct ORAN	12.72 42.65 12.02 12.02 11.89 11.75 DN 50,000 Close 67.80 80.05 68.05 68.05 68.05 68.05	Previous 12.45 12.47 12.08 11.98 11.95 11.77 ; cents/fbs Previous 67.45 68.45 68.45 68.45 68.47 15.000 lbs;	High/Low 12.77 12.74 0 12.10 12.10 12.00 12.00 13.90 High/Low 67.72 88.10 68.10 cents/lbs High/Low	12.62 0 11.92 11.97 11.90 67.04 67.01 67.01 68.00 88.10
tan ul ulg let ee eb pr un LATH let en pr	381.5 382.1 385.7 385.7 380.0 394.2 396.5 402.9 407.3 6UM 60 b Close 540.0 543.0 541.5 544.0	377.7 279.0 387.0 387.3 387.3 391.5 398.0 400.4 404.8 roy oz: \$7tro Previous 538.0 538.0 538.5 538.5 540.5	379:8 383.0 0 386.0 390.3 396.5 396.5 402.3 0 y oz. High/Low Q 544.5 540.0	379.2 0 383.1 388.0 391.5 390.5 400.5 0 537.0 641.0	Oct Dec Mar Oct ORAN	12.72 42.65 12.06 12.02 11.26 11.26 11.26 000 50,000 Close 67.65 68.05 68.05 68.05 68.05 68.05 68.05 68.05	Previous 12.45 12.47 12.08 11.98 11.95 11.77 ; cents/fbs Previous 67.45 68.05 67.94 68.45 68.70 15.000 lbs:	High/Low 12.77 12.74 0 12.10 12.00 11.90 11.90 67.72 88.10 57.91 68.40 68.10 68.10 68.10 68.10	12.62-0 11.92 71.97 71.90 67.04 67.04 67.01 67.20 68.10
un ul ulg lec ec eb pr un LATII	381.5 382.1 382.1 385.7 380.2 384.2 384.5 402.3 407.3 407.3 61.60 543.0 543.0 544.0 544.0 61.60 644.0	377.7 279.0 387.0 387.0 382.9 387.3 391.5 398.0 400.4 404.8 roy oz: \$700 Previous 536.0 538.0 538.5 540.5 540.5 540.5	379:8 383.0 0 385.0 386.3 386.5 386.5 402.3 0 y ozz High/Low 0 544.5 540.0 542.0 0	0 379.2 0 363.1 363.0 391.5 390.5 400.5 0 0 537.0 841.0 0	Oct	12.72 42.65 12.02 11.76 11.76 11.75 0M 50,000 67.50 88.05 67.56 68.05 88.05 68.05 68.05 68.05 68.05 10 68.05 10 68.05 68.05	Previous 12.46 12.47 12.08 11.98 11.86 11.77 cents/fbs Previous 67.45 68.05 67.94 68.45 68.70 15.000 lbs; Previous 191.20 183.85	High/Low 12.77 12.74 0 12.10 12.00 12.00 11.90 67.72 68.40 68.10 68.10 68.10 68.10 102.90 194.75	12.62-0 11.92 11.97 11.90 67.04 67.61 67.61 67.61 68.10 68.10
tan ul ul ul uc lec eb pr un LATII tay ul ct sn pr	381.5 382.1 384.1 385.7 386.7 380.0 384.2 386.5 402.8 407.3 407.3 407.5 540.0 541.0 541.0 541.0 541.0 600.0 7 540.0 7	377.7 379.0 861.0 362.9 367.3 391.5 396.0 400.4 404.8 roy oz: \$7ro Previous 536.0 639.0 538.5 538.5 540.5 oy oz: Centa	379:8 383.0 0 385.0 386.5 386.5 402.3 0 y oz. High/Low 0 544.5 540.0 Viroy oz.	379.2 0 363.1 363.1 386.5 396.5 400.6 0 537.0 537.0 541.0	Oct Jul Oct COTTI Jul Oct Dec Mar Oct OstAN Miny Jul Sup Nov	12.72 42.65 12.10 12.02 11.75 11.75 0H 50,000 67.86 68.05 68.05 68.05 68.05 68.05 68.05 68.05 68.05 68.05	Previous 12.45 12.47 12.08 11.38 11.36 11.77 ; centurities Previous 67.45 68.45 68.45 68.70 15.000 lbs; Previous 191.20 193.85 186.90 175.20	High/Low 12.77 12.74 0 12.10 12.10 12.00 11.90 High/Low 67.72 58.10 68.40 68.40 68.10 68.40 102.90 194.75 194.75	12.52 0 11.92 11.97 11.90 67.04 67.01 67.20 68.00 68.10
un und und und und und und und und und u	391.5 382.1 384.0 385.7 386.7 390.2 390.5 402.9 407.3 608.60 to Close 540.0 541.0 541.0 541.0 541.0 541.0 542.0 545.0 54	377.7 379.0 381.9 381.9 382.9 387.3 391.5 398.0 400.4 404.8 roy oz: \$fire Previous 538.0 538.0 538.5 538.0 540.5 oy oz: centa Previous	37978 383.0 0 386.0 386.5 386.5 386.5 402.3 0 y ozz. High/Low 0 544.5 540.0 0 w/troy oz. High/Low	379.2 0 363.1 363.1 386.0 391.5 390.5 400.5 0 537.0 537.0 641.0 0	Oct Jul Oct	12.72 12.62 12.02 11.75 11.75 0M 50,000 Close 67.85 68.05 68.05 68.05 68.05 192.90 192.90 194.40 187.50 172.75	Previous 12.46 12.47 12.08 11.98 11.96 11.77 cents/fbs Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.85 198.90 175.20 170.46	High/Low 12.77 12.74 0 12.10 12.00 12.10 12.00 11.90 67.72 58.10 68.40 68.10 68.10 68.10 194.75 197.76 178.76	12.62-0 11.97 11.97 11.90 67.04 67.61 67.20 68.00 68.10 191.25 193.20 485.26 175.20 171.40
under the state of	381.5 382.1 384.0 385.7 380.0 394.2 396.5 402.9 407.3 408.6 540.0 540.0 540.0 540.0 7 5,000 to Close Close Close 540.0 540.0 540.0 540.0 540.0 540.0 550.0 5	377.7 279.0 367.0 362.9 367.3 391.5 398.0 400.4 404.8 Toy oz: \$700 Previous 538.0 538.0 540.5 oy oz: Cento Previous	379:8 383.0 0 385.0 380.3 385.5 386.5 402.3 0 y oz. High/Low 0 544.5 540.0 Urroy oz. High/Low 586.0	379.2 0 363.1 363.1 363.0 391.5 390.5 400.6 0 0 537.0 537.0 0 0	Oct Jul Oct Dec May Jul Oct OSTAN	12.72 42.62 12.10 12.02 11.75 11.75 0M 59,000 67.80 69.05 69.05 68.05 68.05 68.10 192.90 194.40 467.50 172.75	Previous 12.45 12.47 12.08 11.98 11.95 11.77 ; cents/ibs Previous 67.45 68.05 67.94 68.45 68.70 15.000 lbe; Previous 191.20 193.85 196.90 175.20 170.46	High/Low 12.77 12.74 0 12.10 12.10 12.00 11.90 High/Low 67.72 58.10 68.40 68.40 68.10 68.40 102.90 194.75 194.75	12.52 0 11.92 11.97 11.90 67.04 67.01 67.20 68.00 68.10
tin did constant to the consta	381.5 382.1 384.0 385.7 380.0 386.5 402.9 407.3 407.3 407.3 407.3 407.3 541.0	377.7 379.0 381.0 381.0 382.9 387.3 391.5 398.0 400.4 404.8 roy oz; \$fire Previous 538.0 639.0 538.5 640.5 oy oz; cents Previous 530.7 538.1 640.7 538.1 640.5	379:8 383.0 0 386.0 390.3 386.5 306.5 402.3 0 y oz. High/Low 0 444.5 544.0 0 Wroy oz. High/Low 0 576.0	379.2 0 363.1 3863.0 391.5 394.5 400.5 0 537.0 537.0 541.0 0	Oct Jul Oct	12.72 12.62 12.02 11.75 11.75 0M 50,000 Close 67.85 68.05 68.05 68.05 68.05 192.90 192.90 194.40 187.50 172.75	Previous 12.46 12.47 12.08 11.98 11.96 11.77 cents/fbs Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.85 198.90 175.20 170.46	High/Low 12.77 12.74 0 12.10 12.00 12.10 12.00 11.90 67.72 58.10 68.40 68.10 68.10 68.10 194.75 197.76 178.76	12.62-0 11.97 11.97 11.90 67.04 67.61 67.20 68.00 68.10 191.25 193.20 485.26 175.20 171.40
und december of the second sec	381.5 382.1 384.0 385.7 380.0 394.2 396.5 402.9 407.3 408.6 540.0 540.0 540.0 540.0 7 5,000 to Close Close Close 540.0 540.0 540.0 540.0 540.0 540.0 550.0 5	377.7 279.0 367.0 362.9 367.3 391.5 398.0 400.4 404.8 Toy oz: \$700 Previous 538.0 538.0 540.5 oy oz: Cento Previous	379:8 383.0 0 385.0 380.3 385.5 386.5 402.3 0 y oz. High/Low 0 544.5 540.0 Urroy oz. High/Low 586.0	379.2 0 363.1 363.1 363.0 391.5 390.5 400.6 0 0 537.0 537.0 0 0	Oct Dec May July Sur Oct OffAn May July Sur May July Sur May July Sur May	12.72 42.65 12.16 12.02 11.26 11.26 11.26 11.26 11.26 67.85 68.05	Previous 12.46 12.47 12.08 11.98 11.96 11.77 0ents/fbs Previous 67.45 68.46 68.46 68.47 15.000 lbe; Previous 193.85 186.90 176.20 170.46 170.10 160.25	High/Low 12.77 12.74 0 12.10 12.10 12.00 11.90 High/Low 67.72 58.10 65.40 65.40 65.40 65.75 176.75 1776.75	12.62-0 11.97 11.97 11.90 67.04 67.61 67.20 68.00 68.10 191.25 193.20 485.26 175.20 171.40
tin did to the time of time of the time of	391.5 392.1 394.9 395.7 390.9 396.5 402.9 407.3 8086.6 60.0 540.0	377.7 279.0 3871.0 382.9 387.3 3971.5 398.0 400.4 404.8 roy oz: \$700 Previous 538.0 538.5	379:8 383.0 0 386.0 386.5 386.5 386.5 402.3 0 y ozz. High/Low 0 544.5 540.0 0 Vitroy oz. High/Low 586.0 0 0 576.0 584.5 589.5	379.2 0 363.1 363.0 391.5 390.5 400.5 0 537.0 537.0 541.0 0 570.6 590.5	Jun	12.72 42.62 12.02 11.75 11.75 11.75 0M 50,000 Close 67.50 67.55 68.05 68.05 68.05 192.90 194.40 467.50 172.75 177.25 177.25	Previous 12.45 12.47 12.08 11.98 11.95 11.77 coents/fbs Previous 67.45 68.05 67.94 68.45 68.70 15.000 lbs; Previous 191.20 198.85 176.20 170.46 170.10 160.25	High/Low 12.77 12.74 0 12.10 12.10 12.00 11.90 High/Low 67.72 68.10 68.10 68.10 68.10 68.10 102.90 194.75 178.76 178.76 178.00 170.40 0	12.62-0 11.97 11.97 11.90 67.04 67.61 67.20 68.00 68.10 191.25 193.20 485.26 175.20 171.40
und december 1 LATII lay lay lay open 1 LATII lay	381.5 382.1 384.0 385.7 380.5 402.9 407.3 407.3 407.3 407.3 407.3 407.3 540.0 540.0 540.0 541.0	377.7 379.0 381.0 382.9 387.3 387.3 387.3 387.3 387.3 387.3 387.3 387.3 400.4 404.8 Previous 538.0 538.0 540.5 Oy oz: Cardo Frevious 538.0 540.5 Oy oz: Cardo 538.0 540.5 Oy oz: Cardo 540.5 Oy oz: Card	379:8 383.0 0 386.0 390.3 395.5 396.5 402.3 4 7 cz. High/Low 544.5 540.0 Viroy cz. High/Low 586.0 586.5	379.2 0 363.1 365.0 391.5 396.5 400.6 0 537.0 537.0 641.0 0	Oct Dec May July Sur Oct OffAn May July Sur May July Sur May July Sur May	12.72 42.62 12.02 11.75 11.75 11.75 0M 50,000 Close 67.50 67.55 68.05 68.05 68.05 192.90 194.40 467.50 172.75 177.25 177.25	Previous 12.45 12.47 12.08 11.98 11.95 11.77 coents/fbs Previous 67.45 68.05 67.94 68.45 68.70 15.000 lbs; Previous 191.20 198.85 176.20 170.46 170.10 160.25	High/Low 12.77 12.74 0 12.10 12.10 12.00 11.90 High/Low 67.72 58.10 65.40 65.40 65.40 65.75 176.75 1776.75	12.62-0 11.97 11.97 11.90 67.04 67.61 67.20 68.00 68.10 191.25 193.20 485.26 175.20 171.40

			1000	1230	T-240
	Jul	1156	1160	1164	1400
	Sep	1167	1160	1177	.1162
	Dec .	1179	1181	1185	1172
	Mer -	1182	1186	1189	1174
	May	1192	1193		
•				1199	.1185
•	Jul	1155	1156:	1164	1150
	Sep ·	1235 .	1231	a ·	a .
	COFFE	-	,500lbs: cer	4-6-	
	COTT	M. C. 3/	CONTRACT.		
		Close	Previous	High/Low	A 44
				11101100	4 42
	May	134.20	137.75	137.00	184.10
	Jul	127.40	128.41	129.20	127.00
	Sep	121.00	122.50	123.70	121.80
	Dec	118,14	118.65	119,75	
	Mar		116.86		117.80
•		116.68		117.50	116.60
	May	116.76	117.38	a	- Q
	Jul.	118,00	116.75	a	.0
-	300	116.50	116.75	0	0 5
. :	SUGAL				
	2000	N WORLD	"11" 112,0	DO IDE: DEV	s/lbs - 4
٠.		Close	Previous	High/Low	
•			- Idelous	- HARBERTON	
	Jul .	12.72	12.45	12.77	12.54
٠.	Oct .	-12.65	12.47	12.74	12.52
	Jen	12.10	12.08	Q -	0
•	Mar	12.02	11.98	12.10	11.92
	33	11.88	11.85	12.00	11.07
٠.	Out	11.75	11.77	11.90	
•		1140	1617	.11.80 _	T1_90
	COTTO	ON 50,000	cents/ibs		
		Cicse	Previous	High/Low	
		67 60	47.44	47.70	
	Jul .	67.80	67.45	67.72 ;	67.04
	Oct .	88.05	68.05	68.10	67.51
	Oct .	68.05 67.55	67.94	68.10 67.91	
	Oct . Dec Mar	67.55 68.05	67.94 68.45	68.10 67.91 68.40	67.51
	Oct .	68.05 67.55	67.94	68.10 67.91	67.51 : 67.20 66.00
•	Oct Dec Mar Oct	68.05 68.05 68.10	68.05 67.94 68.45 68.70	68.10 67.91 68.40 68.10	67.51 67.20
	Oct . Dec Mar	98.05 67.55 68.05 58.10	67.94 68.45	68.10 67.91 68.40 68.10	67.51 : 67.20 66.00
	Oct Dec Mar Oct	98.05 67.55 68.05 58.10	68.05 67.94 68.45 68.70 15,000 lbe;	58.10 67.91 68.40 68.10 cents/lbs	67.51 67.20 66.00 68.10
	Oct Dec Mar Oct ORAN	98.05 67.55 68.05 88.19 QE JUICE	68.05 67.94 68.45 68.70 15.000 lbs; Previous	68.40 68.40 68.10 cents/lbs	67.51 67.20 66.00 66.10
	Oct Dec Mar Oct OffAN	98.05 67.65 68.05 88.19 Close 192.90	68.05 67.94 68.45 68.70 15.000 lbs; Previous	68.10 67.91 68.40 68.10 cents/lbs High/Low 192.90	67.51 67.20 66.00 66.10
	Oct Dec Mar Oct OffAN	68.05 68.05 68.05 58.19 Cicee 192.90 194.40	68.05 67.94 68.45 68.70 15.000 lbs; Previous. 191.20 193.85	68.10 67.91 68.40 68.10 cents/lbs High/Low 192.90 194.75	67.51 67.20 66.00 66.10
	Oct Dec Mar Oct OffANI May Jul- Sep 7	98.05 67.65 68.05 88.19 Close 192.90	68.05 67.94 68.45 68.70 15,000 lbs; Previous 191.20 193.85 186.90	68.10 67.91 68.40 68.10 cents/lbs High/Low 192.90	67.51 67.20 66.00 66.10
	Oct Dec Mar Oct OffAN	88.05 67.55 68.05 88.19 Close 192.90 194.40 487.50 178,75	68.05 67.94 68.45 68.70 15.000 lbs; Previous. 191.20 193.85	68.10 67.91 68.40 68.10 cents/lbs High/Low 192.90 194.75	67.51 67.20 66.00 66.10
	Oct Dec Mar Oct OffANG May Jul- Sep 7 Nov- Jen	88.05 67.55 68.05 68.19 Close 192.90 194.40 187.50 176,75 172.75	68.05 67.94 68.45 68.70 15,000 lbs; Previous 191.20 193.85 186.90	58.10 57.91 68.40 68.10 cents/libs High/Low 192.90 194.75	67.51 67.20 66.00 66.10 191.25 193.20
	Oct Dec Mar Oct OffANI May Jul- Sep Nov- Jen	88.05 67.55 68.05 88.19 Close 192.90 194.40 487.50 178,75	68.05 67.94 68.45 68.70 15,000 lbe; Previous 191.20 193.25 186.90 175.20	58.10 57.91 68.40 58.10 cents/lbs High/Low 192.90 194.75 178.75 178.00	67.51 67.20 68.00 68.10 191.25 198.20 198.25 176.20 171.40
	Oct Dec Mar Oct ORAN May Sul- Sup? Nov-	88.05 67.55 68.05 68.19 Close 192.90 194.40 187.50 176,75 172.75	68.05 67.94 68.46 68.70 15.000 lbe; Previous. 191.20 193.85 196.90 175.20 170.10	58.10 57.91 65.40 66.10 Conts/lbs High/Low 192.90 194.75 178.76 178.76 178.76	67.51 67.20 68.00 68.10 191.25 198.20 408.25 175.20 171.40 169.50
	Oct. Dec Mar Oct CRAN May Jul Sup? Nov. Jun May	82.05 67.55 68.05 68.15 2E JUICE Close 192.90 194.40 487.50 172.75 172.75	68.05 67.94 68.46 68.70 15.000 lbs; Previous. 191.20 193.85 186.90 175.20 170.46	58.10 57.91 65.40 66.10 Cents/lbs High/Low 192.75 194.75 178.76 178.00 170.40	67.51 67.20 66.00 68.10 191.25 198.20 176.20 171.40
	Oct Dec Mar Oct OffARM May July Sup Nov Jun May July July July July July July July Jul	68.05 67.55 68.05 68.10 2E JUCE 192.90 194.40 187.50 176.75 177.25 170.25	68.05 67.94 68.46 68.70 15.000 lbs; Previous. 191.20 193.85 166.90 176.20 170.10 160.85 160.85	58.10 57.91 68.40 68.10 cents/lbs High/Low 192.90 194.75 167.75 178.76 178.40	67.51 67.20 68.00 68.10 191.25 198.20 198.25 176.20 171.40 160.50
	Oct Dec Mar Oct OffANI May Jul-Sap Nov Jen May Jul Sep Jen Jen Sep Jen Sep Jen Sep Jen Sep Jen Jen Sep Jen Jen Sep Jen Jen Jen	88.05 67.86 68.05 68.05 68.19 Close 192.90 192.40 167.50 170.75 171.25	68.05 67.94 68.46 68.70 15.000 lbs; Previous. 891.20 193.85 186.90 175.29 170.46 170.10 169.85	58.10 57.91 68.40 68.10 cents/lbs High/Low 192.90 194.75 178.76 178.76 178.40 0	67.51 67.20 66.00 66.10 191.25 198.25 198.25 171.40 169.50 0
	Oct Dec Mar Oct OffANI May Jul-Sap Nov Jen May Jul Sep Jen Jen Sep Jen Sep Jen Sep Jen Sep Jen Jen Sep Jen Jen Sep Jen Jen Jen	68.05 67.55 68.05 68.10 2E JUCE 192.90 194.40 187.50 176.75 177.25 170.25	68.05 67.94 68.46 68.70 15.000 lbs; Previous. 191.20 193.85 166.90 176.20 170.10 160.85 160.85	58.10 57.91 68.40 68.10 cents/lbs High/Low 192.90 194.75 167.75 178.76 178.40	67.51 67.20 68.00 68.10 191.25 198.20 198.25 176.20 171.40 160.50
	Oct Dec Mar Oct OffARM May July Sup Nov Jun May July July July July July July July Jul	68.05 67.55 68.05 68.10 2E JUCE 192.90 194.40 187.50 176.75 177.25 170.25	68.05 67.94 68.46 68.70 15.000 lbs; Previous. 191.20 193.85 166.90 176.20 170.10 160.85 160.85	58.10 57.91 68.40 68.10 cents/lbs High/Low 192.90 194.75 178.76 178.76 178.40 0	67.51 67.20 66.00 66.10 191.25 198.25 198.25 171.40 169.50 0
	Oct Date Mar Oct Oct Oct Oct May Jul Sup May Jul Sep May Jul Sep	88.05 68.05 68.05 68.16 Close 192.90 194.40 487.50 170.75 171.25 171.25 170.25	68.05 67.94 68.46 68.70 15.000 lbs; Previous. 191.20 193.85 166.90 176.20 170.10 160.85 160.85	58.10 57.91 68.40 68.10 cents/lbs High/Low 192.90 194.75 178.76 178.76 178.40 0	67.51 67.20 66.00 66.10 191.25 198.25 198.25 171.40 169.50 0
	Oct Date Mar Oct ORAM Mary Sup Nov Jen Mary July Sup Mary July Sup Sup Mary July Sup Sup Mary July Sup Sup Sup Mary July Sup	88.05 68.05 88.05 88.19 22 AHCE 192.90 194.40 187.50 178.75 171.25 171.25 170.25	68.05 67.94 68.46 68.70 15.000 lbe; Previous 191.20 193.85 176.20 170.46 170.46 170.46 170.46 170.46 170.46	68.10 67.91 68.40 68.10 Cente/lbs High/Low 192.90 194.75 177.75 177.76 177.00 0	67.20 68.00 68.10 191.25 198.20 198.25 171.40 100.50 0
	Oct Date Mar Oct ORAM Mary July Sup Mary July Sup Mary July Sup Mary July Sup Sup Mary July Sup Sup Mary July Sup	88.05 68.05 88.05 88.19 22 AHCE 192.90 194.40 187.50 178.75 171.25 171.25 170.25	68.05 67.94 68.46 68.70 15.000 lbe; Previous 191.20 193.85 176.20 170.46 170.46 170.46 170.46 170.46 170.46	68.10 67.91 68.40 68.10 Cente/lbs High/Low 192.90 194.75 177.75 177.76 177.00 0	67.20 68.00 68.10 191.25 198.20 198.25 171.40 100.50 0
	Oct Date Mar Oct ORAM Mary July Sup Mary July Sup Mary July Sup Mary July Sup Sup Mary July Sup Sup Mary July Sup	88.05 87.55 88.05 88.05 88.16 26 JAPCE 192.40 192.40 178.75 172.75 170.25 170.25 170.25 170.25 170.25 170.25	68.05 67.94 68.46 68.70 15,000 lbe; Previous 191.20 193.85 196.90 170.45 169.85 169.85 169.85	68.10 67.91 68.40 68.10 68.10 68.10 192.00 194.75 178.76 178.76 0	67.29 62.00 62.00 62.00 62.00 62.00 798.25 775.20 171.60 0
	Oct Date Mar Oct ORAM Mary July Sup Mary July Sup Mary July Sup Mary July Sup Sup Mary July Sup Sup Mary July Sup	88.05 68.05 88.05 88.19 22 AHCE 192.90 194.40 187.50 178.75 171.25 171.25 170.25	68.05 67.94 68.46 68.70 15,000 lbe; Previous 191.20 193.85 196.90 170.45 169.85 169.85 169.85	88.10 67.91 68.40 68.10 68.10 68.10 192.80 194.75 178.76 178.76 0	67.29 62.00 68.10 791.25 798.25 778.20 771.40 190.50 0
	Oct Date Mar Oct ORAM Mary July Sup Mary July Sup Mary July Sup Mary July Sup Sup Mary July Sup Sup Mary July Sup	88.05 87.55 88.05 88.05 88.16 26 JAPCE 192.40 192.40 172.75 172.75 170.25	68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.85 196.90 170.10 169.85 169.85 169.85	88.10 67.91 68.40 68.10 68.10 68.10 192.80 194.75 178.76 178.76 0	67.29 62.00 68.10 791.25 798.25 778.20 771.40 190.50 0
	Oct Den Mar Oct Office May July May May May May May May May May May Ma	88.05 87.65 88.05 88.16 88.16 62 Julice 192.90 194.40 197.50 177.25 177.25 170.25	68.05 67.94 68.46 68.70 15.000 lbs; 191.20 193.85 196.90 170.45 170.45 170.10 169.85 169.85 169.85 169.85	88.10 67.91 68.40 68.10 68.10 68.10 192.00 194.75 178.75 178.75 178.76 0	67.29 62.00 68.10 79.125 198.20 6768.25 176.20 177.40 199.50 0 0 0
	Oct Den Mar Oct Office May July May May May May May May May May May Ma	88.05 87.65 88.05 88.16 88.16 62 Julice 192.90 194.40 197.50 177.25 177.25 170.25	68.05 67.94 68.46 68.70 15.000 lbs; 191.20 193.85 196.90 170.45 170.45 170.10 169.85 169.85 169.85 169.85	88.10 67.91 68.40 68.10 68.10 68.10 192.00 194.75 178.75 178.75 178.76 0	67.29 62.00 68.10 79.125 198.20 6768.25 176.20 177.40 199.50 0 0 0
	Oct Dec Mar Cct OffAnn Mary Sup Nov Sup Nov Mary Jul Sup Reput	88.05 87.65 88.05 88.16 88.16 88.16 88.16 88.16 182.90 194.40 187.50 171.25 171	68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.85 166.90 170.45 170.10 169.85 169.85 169.85 169.85	88.10 67.91 68.40 68.10 68.10 68.10 192.00 194.75 178.76 178.76 178.76 0 0	67.29 62.00 68.10 791.25 798.25 778.29 778.20 778.2
	Oct Den Mar Oct Office May July May May May May May May May May May Ma	88.05 87.65 88.05 88.16 88.16 88.16 88.16 88.16 182.90 194.40 187.50 171.25 171	68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.85 166.90 170.45 170.10 169.85 169.85 169.85 169.85	88.10 67.91 68.40 68.10 68.10 68.10 192.00 194.75 178.75 178.75 178.76 0	67.29 62.00 68.10 791.25 798.25 778.29 778.20 778.2
	Oct Den Mar Oct OSTANN May Jul Sup Nov Jun Sup Inn May Jul Sup TREUT	88.05 87.55 88.05 88.16 Close Juice 192.90 194.40 197.50 177.25 177.25 170.2	68.05 67.94 68.79 15.000 lbs; Previous 191.20 193.85 196.99 176.29 170.45 170.45 170.45 169.85 169.86 169.86 169.86 169.86 169.86 169.86 169.86 169.86 169.86	68.10 67.91 68.40 68.10 68.10 68.10 192.90 194.75 197.67 178.76 0 0	67.41 67.20 68.10 68.10 791.25 198.20 778.20 7778.20 198.50 0 0 0 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7
	Oct Den Mar Oct OSTANN May Jul Sup Nov Jun Sup Inn May Jul Sup TREUT	88.05 87.65 88.05 88.16 88.16 88.16 88.16 88.16 182.90 194.40 187.50 171.25 171	68.05 67.94 68.79 15.000 lbs; Previous 191.20 193.85 196.99 176.29 170.45 170.45 170.45 169.85 169.86 169.86 169.86 169.86 169.86 169.86 169.86 169.86 169.86	88.10 67.91 68.40 68.10 68.10 68.10 192.00 194.75 178.76 178.76 178.76 0 0	67.29 62.00 68.10 791.25 798.25 778.29 778.20 778.2
	Oct Den Mar Oct OSTANN May Jul Sup Nov Jun Sup Inn May Jul Sup TREUT	88.05 87.55 88.05 88.16 Close Juice 192.90 194.40 197.50 177.25 177.25 170.2	68.05 67.94 68.79 15.000 lbs; Previous 191.20 193.85 196.99 176.29 170.45 170.45 170.45 169.85 169.86 169.86 169.86 169.86 169.86 169.86 169.86 169.86 169.86	68.10 67.91 68.40 68.10 68.10 68.10 192.90 194.75 197.67 178.76 0 0	67.41 67.20 68.10 68.10 791.25 198.20 778.20 7778.20 198.50 0 0 0 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7

			den				0		
	Latest		High/Low		BOYA	MEANS 5.0	000 bu min; c	cente/60fb be	inches
년 . 보	20.15 18.98	19.52 18.63	20.25 19.11	18.71	•	Close	Previous	High/Low	
ug	18.38	18.08	18.49	18.20	May	751/4.	758/2	760/0	750/0
•	18.01	77.77	10.12	77.00	Jul	738/4 -	748/4	744/0	738/0
*	. 17.82 77.67	17.60 77.45	17.95 . 17.67	17.75 17.68	Ren	733/2	743/4	739/0	73214
81	17.20	17.01		17.00	Sep .	717/8	725/0 717/4	725/0 714/4	717/4 .
Απ	NG OIL 4	2,000 US as	dis, cents/L	JS galie ·	. Jan	717/8	725/4	722/4	717/8
	Latest	Previous			Mar	726/2	734/6 739/0	730/4	726/0
.	4815	4748	4960	4790			80,000 lbs; 6	736/4	731/0
4	4815 4855	4064	4004 4000	4720		Close	Previous	High/Low	
ig .	4630	4713 4786	4980 .	4765 4840	May	23.77	23.05	23.60	23.15
et .	4980 5085	4888	5000 5055	4950 . : : : : : : : : : : : : : : : : : :	Jul	23.61	24.14	24.07	23.57
80	5125	5013	5150	5043	Sep	23.85	24.40	24.30	23.00
m.	5120	6038	5120	5085	Oct	24.25	24.80	24.50	24.05
~	4875	4003	4875	- 4675	- Dec Jan -	24.70	25.14	25.05	24.70
vīco.		es S/Ionne			Mer	24.85 25.36	25.82 25.82	25.15 25.55	24.85 26.35
	Close	Previous	High/Low		- BOYA		L 100 tone;		
V.	1233	1160	1220	1225	7.	Close	Previous	High/Low	
P	1167 1179	1189	1177	.1162	May	, 219.9	* 221.0 ·	221.0	218.6
ui -	1182	1186	1186	1172	Jul Aug	219.5	221,4	220.5	218.5
y	1192	1193	1198	.1185	Gep	213.2	218.7 015.0	215.0 · 214.0 ·	216.3 212.5
HD .	1155	1156:	1164 Q	1150	Dec.	209.7	211.0	210,5	209.0
_		,5000be; cer			Jen	207,7	208.4	206.5	206.8
-		Previous	High/Low	<u>_</u>	Mar	206.0	206.0	207.3	207.5 206.0
ey .	134.20	137.75	137.00	184.10	MAJZE	-,	min; cents/5	Sib bushal	
l Ip	127.40 121.00	128.41	129.20 123.70	127.00 121.80		Close	Previous	High/Low	
C .	118,14	118.65	119,75	117.86	May	276/2 272/4	279/4	279/2	276/0
er `	116.88	118.86 117.38	117.50	116.60	Sep	262/2	265/0	274/4 264/2	272/0
t .	118.00	115.75	9	. Q	- Mar	259/4	261/4	260/6	257/6
Ģ.	116.50	116.75	ō	0 5	May	206/2 : 268/4	270/0	267/2	264/2
NON	R WORLD	"11" 112,0	OD libe; den	s/lbs	Jul	209/4	271/6	208/4	266/0
·	Close		High/Low		WHEA	6,000 by	min; cents/6	10tb-bushel	
4	12.72	12.45	12.77	12.54		Close			
	· - 15.65		1974		41		Previous	High/Low	
n :	12.65 12.10	12.08	_12.74 , Q	12.62	May	428/0	428/4	498/0	424/0
n .	12.02	12.47 12.08 11.98	12.10	12.52 0 11.92	Sep	413/4 419/2		498/0 414/4	411/4
	12_10	12.08	a	12.52	Sep Dec	428/0 413/4 419/2 481/6	428/4 414/6 421/0 438/2	498/0 414/4 420/8 432/4	
n k	12.10 12.02 11.88 11.75	12.47 12.08 11.98 11.85	0 12.10 12.00	12.02 0 11.92 11.97	Sep Dec Mar May	428/0 413/4 419/2 481/8 437/8 427/8	428/4 414/6 421/0 438/2 438/0 425/0	498/0 414/4 420/8 432/4 438/0 427/8	411/4 418/4 430/4 436/0
n er t	12.10 12.02 11.88 11.75	12.08 11.98 11.85 11.77	0 12.10 12.00	12.02 0 11.92 11.97	Sep Dec Mar May	428/0 413/4 419/2 481/8 437/8 427/8	428/4 414/6 421/0 438/2 438/0 425/0	498/0 414/4 420/8 432/4 438/0 427/8	411/4 418/4 430/4
er R VERC	12.10 12.02 11.26 11.75 2N 50,000 Close 67.80	12.47 12.08 11.98 11.85 11.77 conts/fbs Previous	12.10 12.00 11.90 High/Low	12-52 0 11-92 11-97 11-97	Sep Dec Mar May LIVE C	428/0 413/4 419/2 481/8 437/8 427/8	428/4 414/6 421/0 438/2 438/0	498/0 414/4 420/8 432/4 438/0 427/8	411/4 418/4 430/4 436/0
er er er er	12.10 12.02 11.89 11.75 ON 50,000 Close 67.80 98.05	12.47 12.08 11.96 11.35 11.77 cents/fbs Previous 67.45 68.05 67.94	0 12.10 12.00 11.90 High/Low	12-62 0 11-92 71-97 TL90 67-04 67-04	Sep Dec. Mer May LIVE C	428/0 415/4 419/2 481/8 437/8 427/8 ATTLE 40, Close 72.10	429/4 414/6 421/0 439/2 438/0 425/0 000 lbs; cerri Previous	498/0 414/4 420/8 432/4 438/0 427/8 by/lbs High/Low 72.38	411/4 418/4 430/4 436/0 428/0
	12.10 12.02 11.26 11.75 20 50,000 Close 67.80 68.05 68.05	12.47 12.08 11.98 11.36 11.77 conts/fbs Previous 67.45 68.05 67.94 68.45	Q 12.1Q #2.00 11.90 _ High/Low 67.72 68.10 67.91	12.52 0 11.52 11.52 11.50 67.04 67.51 67.20 66.00	Sep Oec. Mar May LIVE C	428/0 413/4 419/2 461/6 437/6 427/6 ATTLE 40,	428/4 414/6 421/0 438/2 438/0 428/0 600 lbs; cam Previous 72.07 68.10	438/0 414/4 420/8 432/4 432/0 427/8 br/lise High/Low 72.35 68.37	411/4 418/4 436/0 426/0 71.86 67.00
# ************************************	12.10 12.02 11.29 11.75 20 50,000 Close 67.80 98.05 67.85 68.05 88.19	12.47 12.08 11.98 11.85 11.77 0ents/fbs Previous 67.45 68.05 67.94 68.46 68.70	Q 12.10 12.00 11.90 High/Low 67.72 68.10 68.40 68.10	12-52 0 11-92 71-97 T1-90 67.04 67.04 67.01	Sep Oec. Mar May LIVE C	428/0 413/4 419/2 481/8 437/8 427/8 427/8 427/8 72.10 68.16 68.40 70.15	428/4 414/6 421/0 428/0 428/0 428/0 428/0 72.07 68.10 66.40 69.95	498/0 414/4 420/8 432/4 438/0 427/8 by/lbs High/Low 72.38	411/4 418/4 436/0 426/0 71.86 67.00 68.40
# ************************************	12.10 12.02 11.89 11.75 2M 50,000 Ciose 67.86 88.05 67.66 68.05 88.10	12.67 12.08 11.98 11.85 11.77 conts/fbs Previous 67.45 68.05 67.94 68.45 68.70 15.000 lbs;	Q 12.10 12.00 11.90 11.90 67.72 68.10 67.97 68.40 68.10	12.52 0 11.52 11.52 11.50 67.04 67.51 67.20 66.00	Sep Oec. Mar May LIVE C	428/0 413/4 419/2 481/8 437/8 427/8 427/8 ATTLE 40, Glose 72.10 66.16 68.40 70.15 71.37	428/4 414/6 421/0 433/2 438/0 428/0 000 lbs; cerri Previous 72.07 68.10 68.40 69.95 71.07	438/0 414/4 420/8 432/4 438/0 427/8 438/0 427/8 438/0 427/8 58/10 68.37 68.40 70.35 71.80	411/4 418/4 436/0 426/0 71.86 67.00 68.40 70.00 71.02
TANK	12.10 12.02 11.09 11.75 0N 50,000 Close 67.80 98.05 87.65 68.05 88.10 GE JUICE	12.67 12.08 11.98 11.25 11.77 cents/fbs Previous 67.45 68.05 67.94 68.45 68.70 15.000 lbs;	Q 12.10 12.00 11.90 57.72 58.10 57.91 68.40 68.10 cents/libs	12.52 0 11.52 11.57 11.90 57.04 67.51 67.20 66.00 68.10	Aun Aug Sep Oct Dec Feb Jun	428/0 419/4 419/2 481/8 437/8 427/8 427/8 427/8 427/8 68.16 68.40 70.15 71.87 71.87	428/4 414/6 421/0 433/2 438/0 428/0 428/0 72.07 72.07 72.07 71.07 71.07 71.00	438/0 414/4 420/8 432/4 438/0 427/8 438/0 427/8 438/0 72.36 68.37 68.40 70.35 71.80 72.10 72.90	411/4 418/4 436/0 426/0 71.86 67.00 68.40 70.00 71.02 71.70
TANK	12.10 12.02 11.06 11.75	12.67 12.08 11.98 11.85 11.77 conts/fbs Previous 67.45 68.05 67.94 68.45 68.70 15.000 lbs;	9 12.10 12.00 11.90 11.90 67.72 68.10 67.91 68.40 68.10 cents/libs	12-52 0 11-52 11-57 11-57 11-90 67-04 67-04 67-05 66.00 68.10	Aun Aug Sep Oct Dec Feb Jun	428/0 419/4 419/2 481/8 437/8 427/8 427/8 427/8 427/8 68.16 68.40 70.15 71.87 71.87	428/4 414/6 421/0 433/2 438/0 428/0 428/0 72.07 72.07 72.07 71.07 71.07 71.00	438/0 414/4 420/8 438/0 438/0 427/8 48/10a High/Low 72.36 68.37 68.40 70.25 71.80 72.10	411/4 418/4 436/0 426/0 71.86 67.00 68.40 70.00 71.02
R TERES	12.02 12.02 11.36 11.75 2M 50,000 Close 67.80 68.05 67.85 68.05 68.16 Close 192.40 192.40 194.40	12.09 11.98 11.98 11.75 11.77 centu/fbs Previous 07.45 68.05 67.94 68.45 68.70 15.000 lbs; Previous 191.20 193.85 186.90	9 12.10 12.00 11.90 11.90 67.72 68.10 68.10 68.10 68.10 68.10 68.10 194.76 194.76	12.50 0 11.50 11.50 71.57 11.50 67.04 67.01 67.20 66.00 68.10	Aun Aug Sep Oct Dec Feb Jun	428/0 419/4 419/2 481/8 437/8 427/8 427/8 427/8 427/8 68.16 68.40 70.15 71.87 71.87	428/4 414/6 421/0 428/0 428/0 428/0 600 lbs; card Previous 72.07 68.10 68.40 69.25 71.07 71.70	438/0 414/4 420/8 432/4 438/0 427/6 bi/libs High/Low 72.35 68.37 68.40 70.35 71.80 72.10 72.00 bit.	41]/4 415/4 435/0 425/0 425/0 71.86 67.00 65.40 71.02 71.70 71.86
TANK	12.02 12.02 11.08 11.75 DM 50,000, Ciose 67.05 68.05 68.05 68.05 68.16 GB 98.06 194.40 467.50 176,75	12.67 12.08 11.98 11.85 11.85 11.85 11.85 11.87 Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; 191.20 198.85 198.85	0 12.10 12.00 11.90 11.90 67.72 88.10 68.40 68.40 68.10 192.90 194.75	12-52 0 11-52 11-52 11-57 11-50 57-04 67-04 67-01 67-20 64-00 64-10	Aun Aug Sep Oct Dec Feb Jun	438/0 413/4 419/2 481/8 437/8 427/8 427/8 627/8 72,10 98,16 98,16 97,15 71,37 71,95 98,30	428/4 414/6 421/0 433/2 438/0 428/0 000 fbs; cerri 72.07 68.10 68.40 69.95 71.70 72.00	438/0 414/4 420/8 432/4 438/0 438/0 438/0 438/0 438/0 72.35 68.37 68.40 70.35 71.80 72.10 72.00 bit.	411/4 415/4 435/0 425/0 425/0 71.86 67.00 68.40 70.00 71.02 71.70 71.86
T T T T T T T T T T T T T T T T T T T	12.02 12.02 11.26 11.75 11.75 11.50 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75	12.67 12.08 11.98 11.85 11.85 11.85 11.87 Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbe; Previous 191.20 193.85 196.90 170.45	0 12.10 12.00 11.90 11.90 67.72 68.10 68.40 68.10 194.75 194.75 194.75 176.76 176.05	12-52 0 11-52 11-52 11-57 11-50 57-04 67-01 67-20 68-10 68-10 68-10	July Sep Dec Mar May LIVE G LIVE B Dec Feb Jun LIVE H	438/0 413/4 419/2 481/8 437/8 427/8 427/8 427/8 72.10 68.16 68.40 70.15 71.87 71.95 98.80 60.40	428/4 414/6 421/0 433/2 438/0 438/0 428/0 000 lbs; cerri Previous 72.07 68.10 69.95 71.70 72.00 00 lb; cerris/8 Previous 48.40 48.42	438/0 414/4 432/4 432/4 438/0 438/0 427/6 58/37 68/40 72/36 68/40 72/30 72/00 58/40 72/00 58/40 48/40 48/40	41)/4 418/4 436/0 428/0 71.86 67.00 68.40 70.00 71.70 71.70 71.80
T T T T T T T T T T T T T T T T T T T	12.02 12.02 11.08 11.75 Nt 50,000 Close 68.05 68.05 68.05 68.05 68.05 68.05 68.05 192.00 192.00 192.75 172.75 172.75	12.67 12.08 11.98 11.95 11.85 11.85 11.87 Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.85 170.45 170.46 170.46	0 12.10 12.00 11.90 11.90 67.72 88.10 67.91 68.40 68.10 194.75 192.90 194.75 178.00 178.05	12.52 0 11.52 11.57 11.57 11.50 67.04 67.04 67.20 66.00 68.10	Sep Dec Mary Mary Mary LIVE C Aug Sep Dec Feb Jun LIVE H Aug Sep Dec Feb Jun LIVE H Aug Sep Dec Feb Jun LIVE H Aug Sep Dec Feb Dec Feb Jun LIVE H Aug Sep Dec Feb Dec	413/4 413/4 419/2 481/6 437/6 427/6 427/6 72.10 66.16 66.16 70.15 71.87 71.87 71.87 71.87 46.00 46.02 46.02 46.02	428/4 414/6 421/0 433/2 438/0 438/0 428/0 000 lbs; cerri Previous 72.07 68.10 69.95 71.07 71.70 72.00 0 lb; cerris/ii Previous 48.40 48.42 47.22 44.12	438/0 414/4 432/4 432/4 432/6 432/6 427/8 427/8 427/8 45.40 72.35 68.37 73.80 72.10 72.00 bs. High/Low 48.30 48.40 48.40	411/4 415/4 430/4 430/4 436/0 428/0 71.86 67.00 65.40 70.00 71.02 71.70 71.86
T T T T T T T T T T T T T T T T T T T	12.02 12.02 11.26 11.75 11.75 11.50 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75 11.75	12.67 12.08 11.98 11.95 11.85 11.85 11.87 Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.85 170.45 170.46 170.46	0 12.10 12.00 11.90 11.90 14.70 68.10 68.40 68.10 19.4.75 194.75 194.75 178.00 179.00 0	12-52 0 11-52 11-52 11-57 11-50 67-04 67-04 67-06 62-00 62-00 63-10 64-1	Jun	413/4 413/4 413/4 413/6 451/6 457/6 457/6 60.16	428/4 414/6 421/0 438/2 438/0 438/0 438/0 68.10 68.10 68.40 68.95 71.07 71.70 72.00 0 lb; centa/8 48.40 48.42 47.22 44.12	438/0 412/4 432/4 432/4 432/6 432/6 427/8 427/8 427/8 45.40 72.35 68.37 73.80 72.10 72.00 bs. High/Low 48.30 48.40 48.30 48.40 48.30 48.40 48.30	411/4 415/4 435/0 425/0 425/0 71.80 67.00 65.40 71.02 71.70 71.80 47.85 44.55
n or a state of the state of th	12.02 12.02 11.09 11.76 11.76 11.76 11.00	12.67 12.08 11.98 11.85 11.85 11.85 11.87 Previous 67.45 68.05 67.94 68.46 68.70 15,000 lbe; Previous 191.20 193.85 176.20 170.10 169.85	0 12.10 12.00 11.90 11.90 14.70 68.10 68.40 68.10 19.4.75 194.75 194.75 178.00 179.00 0	12-52 0 11-52 11-52 11-57 11-50 67-04 67-04 67-06 62-00 62-00 63-10 64-1	Juni Juni Juni Juni Juni Juni Juni Juni	413/4 413/4 413/4 413/4 413/6 413/6 437/6 427/6 72.10 68.16 68.40 70.13 71.37 71.37 71.37 71.37 71.37 71.37 46.02 46.92	428/4 414/6 421/0 433/2 438/0 438/0 428/0 000 lbs; cerri Previous 72.07 68.10 69.95 71.07 71.70 72.00 0 lb; cerris/ii Previous 48.40 48.42 47.22 44.12	438/0 412/4 432/4 432/4 432/4 438/0 427/8 58/37 68/40 72/38 68/40 72/30 72/10	411/4 418/4 430/4 436/0 438/0 428/0 71.90 71.90 71.90 71.90 71.90 71.90 71.90 71.90 47.85 47.85 47.85 47.85 47.85 47.85
the state of the s	12.02 12.02 11.09 11.75 11.75 11.29 11.29 11.29 67.80 68.05 67.85 68.05	12.67 12.08 11.98 11.85 11.85 11.85 11.87 Previous 67.45 68.05 67.94 68.46 68.70 15,000 lbe; Previous 191.20 193.85 176.20 170.10 169.85	0 12.10 12.00 11.90 11.90 67.72 88.10 68.40 68.10 68.10 194.75 192.90 194.75 178.00 178.00 178.00 0	12.52 0 11.52 71.57 71.57 71.50 67.04 67.04 67.01 67.20 66.00 66.10	Sep One: Mary Mary LIVE C Aug Sep Oct Dec Teb Jun LIVE H	413/4 413/4 413/4 413/2 451/6 437/6 437/6 427/6 427/6 68.16 68.10 70.15 71.37 71.87 71.87 71.87 71.87 71.95 48.00 48.32 48.00 48.32 48.92 48 48.92 48 48.92 48 48 48 48 48 48 48 48	428/4 414/6 421/0 433/2 438/0 438/0 428/0 000 ibst; cem Previous 72.07 68.10 68.40 69.95 71.07 71.70 72.00 0 lb; cente/ii Previous 48.30 48.42 47.22 44.12 46.56 46.97 46.90	438/0 414/4 432/4 432/4 432/4 438/0 427/8 561.40 72.35 66.40 72.10 72.10 72.10 72.10 72.00 48.30 48.40 47.42 44.10 45.90 47.95	411/4 418/4 430/4 435/0 428/0 71.80 67,00 68,40 70,00 71.70 71.70 71.70 71.80 47.85 46.56 47.85 46.56 46.70 45.40 45.40
T THE TANK	12.02 12.02 11.09 11.70 11.09 11.00 11.00 11.00 10.00	12.67 12.08 11.98 11.95 11.95 11.77 Conta/fisa Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.85 196.90 170.45 170.10 180.85 169.85	0 12.10 12.00 11.90 11.90 67.72 88.10 67.91 68.40 68.10 68.10 194.75 176.76 176.76 176.76 176.76 0	12.52 0 11.52 11.57 11.57 11.50 67.04 67.01 67.20 66.00 68.10	July July July July July July July July	413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/6	428/4 41/6 421/0 438/2 438/0 438/0 438/0 438/0 600 lbs; cerri 68.10 68.40 68.95 71.07 71.70 72.00 0 lb; cerris/ii Previous 48.30 48.42 44.12 44.12 44.12 44.52 47.22 44.12 45.56 46.97	438/0 414/4 432/4 432/4 432/4 438/0 427/8 561.40 72.35 66.40 72.10 72.10 72.10 72.10 72.00 48.30 48.40 47.42 44.10 45.90 47.95	411/4 418/4 430/4 436/0 438/0 428/0 71.90 71.90 71.90 71.90 71.90 71.90 71.90 71.90 47.85 47.85 47.85 47.85 47.85 47.85
In the sect RANK	12.02 12.02 11.09 11.75 11.75 11.29 11.75 68.05 68.05 68.05 68.05 68.05 68.05 68.05 68.05 68.05 68.05 194.40 194.75 172.75 177.25 177.25 177.25 170.25	12.67 12.08 11.95 11.95 11.95 11.95 11.77 cents/liss Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; Previous 191.20 193.95 170.45 170.16 180.95 180.95 180.95	0 12.10 12.00 11.90 11.90 67.72 88.10 68.40 68.10 68.10 68.10 194.75 178.00 177.05 177.00 0	12.52 0 11.52 71.57 71.57 71.57 71.50 67.04 67.04 67.01 67.20 66.00 66.10 191.25 198.25 175.20 171.40 160.50 0	Juni Juni Juni Juni Juni Juni Juni Juni	413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/6	428/4 414/6 421/0 433/2 438/0 438/0 428/0 600 lbs; cern Previous 72.07 68.10 68.40 69.95 71.07 71.70 72.00 0 lb; cerns/s 48.80 48.42 47.22 44.15 46.56 46.97 45.02 67.80 60.000 lbs; ce	438/0 414/4 432/4 432/4 432/4 438/0 427/8 561.40 72.35 66.40 72.10 72.10 72.10 72.10 72.00 48.30 48.40 47.42 44.10 45.90 47.95	411/4 418/4 430/4 435/0 428/0 71.80 67,00 68,40 70,00 71.70 71.70 71.70 71.80 47.85 46.56 47.85 46.56 46.70 45.40 45.40
In the sect RANK	12.02 12.02 11.09 11.70 11.09 11.70 11.09 11.00 10.00	12.67 12.08 11.96 11.95 11.95 11.97 11.97 11.77 Conta/fisa Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; 191.20 193.95 194.95 170.45 170.10 189.85 169.85 169.85	0 12.10 12.00 11.90 11.90 67.72 88.10 67.91 68.40 68.40 68.10 194.75 178.00 1770.75 1770.75 1770.75 1770.75 0	12.52 0 11.52 11.57 11.57 11.57 11.57 11.57 11.57 66.00 66.00 66.10 191.25 198.25 175.29 171.40 160.50 0	Juni Juni Juni Juni Juni Juni Juni Juni	413/4 413/4 413/4 413/4 413/4 413/2 481/8 437/8 437/8 427/8 427/8 62.40 68.40 68.40 68.40 70.15 71.37 71.87 71.87 71.87 71.87 46.00 46.32 45.62	428/4 414/6 421/0 433/2 438/0 438/0 428/0 600 lbs; cern Previous 72.07 68.10 68.20 71.07 71.70 72.00 0 lb; cerns/s 48.80 48.42 47.22 44.12 44.12 44.12 44.12 44.12 77.00 0.000 lbs; cerns/s 97.80 97.80 97.80 97.80 97.80 97.80	438/0 412/4 432/4 432/4 432/4 432/0 427/8 58,40 72.35 68,40 70.35 71.80 72.10 72.00 58. HighrLow 48.30 48.40 48.30 47.22 44.10 45.40 47.95 47.95 47.95 47.95 47.90	41144 41844 43044 43540 42840 71.80 67.00 68.40 71.00 71.00 71.00 71.70 47.85 44.85 44.85 44.75 44.75
or of the sector	12.02 12.02 11.09 11.70 11.09 11.70 11.00 11.00 10.00	12.67 12.08 11.98 11.98 11.95 11.97 11.77 Centa/fisa Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; 191.20 193.95 194.95 170.45 170.10 180.95 160.95 160.95 160.95	0 12.1	12.52 0 11.52 71.57 71.57 71.57 71.50 67.04 67.04 67.05 66.00 68.10 191.25 198.25 178.20 171.40 160.50 0 0 170.00 170.00 170.00 170.00 170.00 177.00	Juni Juni Juni Juni Juni Juni Juni Juni	413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/6	428/4 41/6 41/6 421/0 438/0 438/0 438/0 438/0 438/0 68.40 68.40 68.40 68.40 72.07 71.70 771.70 772.00 0 lb; centu/ii Previous 48.30 48.42 47.22 44.12 46.56 49.97 46.50 77.80 0.000 lbs; ce	498/0 414/4 420/4 432/4 438/0 427/8 427/8 427/8 427/8 427/8 427/8 68.37 68.40 72.10 72.10 72.10 72.10 72.00 48.40 47.40 48.40 47.40 48.40 47.40 48.40 47.40 48.40 47.40 48.40 47.40 48.50 47.80 48.50 47.80 48.50 47.80 48.50 47.80 48.50 47.80	41144 41844 43044 43840 43840 43840 43840 71.80 71.90 71.70 71.70 71.70 71.70 71.80 44.95 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.70 45.40 45.70
oct	12.40 12.40 12.40 12.40 11.26 11.26 11.26 11.27 Mt 50.000 Close 67.50 68.05 68.05 68.05 68.05 162.90	12.67 12.08 11.98 11.98 11.85 11.85 11.87 11.77 Centa/fba Previous 67.45 68.05 67.94 68.46 68.70 15.000 lbs; 191.20 193.85 196.90 170.45 180.85 180.85 180.85 180.85 180.85	0 12.1	12.52 0 11.52 71.57 71.57 71.57 71.57 71.57 71.50 66.00 66.10 757.20 66.00 66.10 757.20 775.20 100.25 775.20 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	July Sap Oec Mary May LIVE G Sap Oec Mary May Sap Oec	438/0 413/4 413/4 413/4 413/2 481/8 437/8 437/8 437/8 437/8 477/8 681/8	428/4 414/6 421/0 433/2 438/0 438/0 428/0 000 lbs; cem Previous 72.07 68.10 68.40 69.95 71.07 71.70 71.70 71.70 72.00 0 lb; cents/ii 48.30 48.42 44.12 44.52 44.12 44.53 45.20 77.00 0 0.000 lbs; ce	498/0 419/4 439/4 439/4 439/0 427/8 427/8 427/8 427/8 427/8 427/8 48.40 72.10 72.00 56.40 72.10 72.00 56.40 48.40 48.40 47.20 47.20 44.10 45.90 47.20 47.90	411/4 418/4 430/4 438/0 428/0 771.90 67.00 771.90 67.00 771.90 771.90 47.85 46.56 45.40 46.70 44.95 45.40 47.75
TANK TOTAL T	12.46 12.02 11.26 12.02 11.26 11.75 MI 50.000 Gr.00 68.05 68.05 68.05 68.16 68.05 68.16 68.05 192.40 192.40 192.75 172.75 171.25 170.25 170.25 170.25 170.25 170.25 170.25 170.25 170.25 170.25 170.25 170.25 170.25 170.25	12.06 11.98 11.98 11.98 11.98 11.98 11.77 conta/bs Previous 67.45 68.45 68.46 68.47 15.000 lbe; Previous 191.20 193.85 196.90 177.45 170.45 170.45 170.45 180.85 180.85 180.85 180.85 180.85 180.85 180.85 180.85 180.85 180.85	0 12-10 12-10 12-10 12-10 12-10 12-10 12-10 11-20 12-1	12.52 0 11.52 71.57 71.57 71.57 71.50 67.04 67.04 67.05 66.00 68.10 191.25 198.25 178.20 171.40 160.50 0 0 170.00 170.00 170.00 170.00 170.00 177.00	Jun	432/0 413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/4 413/6	428/4 41/6 41/6 421/0 438/2 438/0 438/0 438/0 68.10 68.10 68.40 68.95 71.07 71.70 72.00 0 lb; centa/8 48.40 48.40 48.40 48.40 48.40 48.40 48.40 48.40 48.7 48.50 48.60 35.75 50.50 50.40	498/0 414/4 420/4 432/4 438/0 427/8 427/8 427/8 427/8 427/8 427/8 48.40 72.10 72.10 72.10 72.10 72.00 48.40 47.40	41144 41844 43044 43840 43840 43840 43840 71.80 71.90 71.70 71.70 71.70 71.70 71.80 44.95 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.40 45.70 45.70 45.40 45.70
or ct Carlo	12.40 12.40 12.40 12.40 11.26 11.26 11.26 11.27 Mt 50.000 Close 67.50 68.05 68.05 68.05 68.05 162.90	12.06 11.98 11.98 11.98 11.98 11.98 11.77 conta/bs Previous 67.45 68.45 68.46 68.47 15.000 lbe; Previous 191.20 193.85 196.90 177.45 170.45 170.45 170.45 180.85 180.85 180.85 180.85 180.85 180.85 180.85 180.85 180.85 180.85	0 12.1	12.52 0 11.52 71.57 71.57 71.57 71.57 71.57 71.50 66.00 66.10 757.20 66.00 66.10 757.20 775.20 100.25 775.20 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Juni Juni Juni Juni Juni Juni Juni Juni	438/0 413/4 413/4 413/4 413/2 481/8 437/8 437/8 437/8 437/8 477/8 681/8	428/4 414/6 421/0 433/2 438/0 438/0 428/0 000 lbs; cem Previous 72.07 68.10 68.40 69.95 71.07 71.70 71.70 71.70 72.00 0 lb; cents/ii 48.30 48.42 44.12 44.52 44.12 44.53 45.20 77.00 0 0.000 lbs; ce	438/0 412/4 432/4 432/4 432/4 438/0 427/8 561,37 66,40 72,35 66,40 72,10 74,10	41144 41844 43044 43840 43840 43840 43840 43840 71.90 71.90 71.90 71.90 71.90 47.85 43.70 44.95 45.70 44.95 45.70 44.95 45.70 44.95 45.40 47.75

LONDON STOCK EXCHANGE

Interest rate worries upset equities

WORRY over the outlook for the US dollar and for global interest rates continued to masettle equifices yesterday in a Cotton December 1 hints of renewed strains Lands May 18 Jan 2 Corporate results, featured by first quarter figures from British Petroleum and Shell, found

A TO WAY WAY

a cautious reception. The market was nervous rather than depressed and share prices rallied from their lowest levels before the end of sion, despite an unconvincing opening on Wall Street Trading was led from the futures market where the FT-SE contract saw its pre-mium dwindle to 20 points

GrandMet*

In spite of a 30 per cent jump in half-year profits to 2301m, the food, hotels and drinks

group Grand Metropolitan saw

ite shares plummet in busy-trading. They closed down 24

at 557p on turnover of 12m shares. The blame for the sud-

den turn in sentiment was put

firmly at the door of the \$750m

provision that GrandMet has

decided to take in relation to

its acquisition of US foods

group Pilisbury.
Although the company explained that the move was

employees' medical insurance

in the US, the market assumed

the rest was for the reorganisa-

tion of Pillsbury, "GrandMet is

As for the interim figures,

the reaction was generally pos-itive and most brokers should

he sticking by their forecasts.

for the full year, which range

ing because operationally the

story is so good.

---=

provision

hurts

Apr. 19 Actions Day: May 15 New 20 Jun 12

from the 40 point premium seen at the beginning of the week. The FT-SE Index-closed a further 6.4 down at 2.110.5 ofter touching 2,107.1 earlier. Some analysis maintain that the set-

back is temporary and that, to quote Rebin Aspinali, chartist at Schroder Securities "UK

holding at 171p. In spite of the rise in the share price, most observers believe the Canadiobservers believe the Canadians, who have played prominent roles in previous bid stories (Exco and Ysie & Valor) as either abbitrageurs or principals, are in Asda for the ride. Sources close to the company said that the Beltberg stake was the only response Asda received from the 212 notices if received from the 212 notices it had served.

This could disappoint those who were hoping that a bid for Asda was on the cards, said an analyst, particularly if the recent massive furnover in the stock is proved to have been the Canadians building up their stake, and not a West German supermerket group as widely speculated.

Oils resilient

partly to take account of increased liability for Pillsbury First-quarter results from the two oil majors, BP and Shell, were given a warm reception by the market Roch share prices defied the overall easier trend, with RP settling ither being over-cautious, or itunchanged on balance at 278 p and Shell a fraction harder at 398 p. Volume in BP knows something we don't about Pillsbury," said a trader, who remarked that people appeared to be taking the latwas 4.4m shares while Shell 3.5m shares were traded. Senti-ment in both stocks was helped by the good performance of crude oil prices which moved. ter view. "If the acquisition and integration of Pillsbury isgoing so well, as they tell us, why the need for this massive provision? asked another. un some 35 cents a barrel. BP's results, which included

a maiden quarterly dividend of 3.65p - above the general run-of expectations - were said by analysts to have been ahead of for the full year, which range from £680m to £725m. When the market has time to digest the full implications of the provisions then the share price could recover, suggested one analyst. Another, Mr Andrew Buchanan of Hoare Govett, concluded: "Sentiment has undoubtedly been damaged by the provisions: GrandMet is not a company that needs to indulge in financial engineer ing because operationally the

Court.
Shell's figures, whilst good according to unallysis, were inflated by property and stock-holding spins. Strip these out. holding gains. "Strip these out-and you are broadly in line with market expectations." Mr.

with market expectations," Mr. Clayton said.

Disappointing interim results from BOC, the industrial gases and healthcare group, which contrasted with the recently bullish tone of comments from City analysts, did not go down well in the market. The outcome, £149m pre-tax, was right at the bot-Canadian stake
The market's conviction that overseas interests had huilt up a stake in supermarket group. Asda proved well-founded yeaterday when the company revealed that a 212 notice had flushed out the presence of a Canadian group on its share register. The news that First register. The news that First-City Financial Corporation of Vanconver, the vehicle of the well-known arbitrageurs, the Belzberg brothers, now holds 29.6m shares, or 2.25 per cent of Asda pushed the share price 5% higher to 172p in active trade. 13m shares changed hands during the day.

NEW HIGHS AND LOWS FOR 1989

NEW ROSSE, 1718.

RETIREN FORDE DE AMERICARIE (S. BANKE)
(T) CASSE'S (HOUSE, SEEWCARIE ()

SELECTRICAR (4) ERG. (Seewon (M. J.), Lilley
(F.I.C.), Mer Hiller Signe Ov. Stepley,
CHESTELLS (I) Vithor By Parkeying, STORES
pp (Inglisher, Do. Signe De Let 2000,
ELECTRICALS (1) Vithor By Let 2000,
ELECTRICALS (1) Vithor By Let 2000,
ELECTRICALS (1) Vithor By Let 2000,
By Havey Grp., Garrier By Micropan House
Motoria, Vichestransen, Micropan House
Motoria, Vichestransen, Micropan House
None & Stripton, Manganese Frome,
Ross Catherell, POODI (p. MOTES (?)
Allod Flootsingsis, BEDIETERALS (29) Berry
Webmiller, Bucke Ind. Inc., Boweter Inde.
Brit. Syphon, Brooks Service, Carter,
Christias Int. Combust Papple, Dutty Grp.,
Eurtarmost Write, Granbod Grp., Hennon,
Ind. Hidge, MPF Ind., Afactorisme Grp., NAG
Grp., Do. 7-75pb Aoc. Rd. Pl., Scourtour

Strpi., Do. "A" N-V, Sinstair (Wm.), Strm.
Bus. Grp., YPAI, INSURANCE (2) Allied ing.
Brokers, Torchmurk, Trade Indemnity,
LEBISHE, 69 Brant Walfer, Capital Radio,
European Laleurs, May Nortd, Facio City
"A" NV, Facio Civies, 18070793 (2)
BETSHAPRES (1) PARCES (6) PROPERTY
(6) SHOES (1) TEXTLES (1) Fouter (John),
TRUSTS (29) OLD (1) (oil Energy, 188628
(9) TRUSTS (49) OLD (1) (oil Energy, 188628

TRUSTE (29) OULS (1) Kelt Energy, MREES
83 THEO MARKET (1)
MOUT LOWE (26).
MOUTH (27).

equities are on their way to FTSE 2,350. by September He believes, however, that the index could dip to around 2,000

in the near term.

The continued firmness of the US dollar fuelled fears that interest rates might be forced. righer in Germany and Japan, thus putting upward pressures on UK rates. Yesterday morning's meetings at securities houses took note of the prediction of UK base rates of 14 per cent reaffirmed this week by iwo leading UK firms, Warburg writies and Kleinwort Ben-

FT-A All-Share Index

Equity Shares Traded

Turnover by volume (million)

Mar Apr

tom range of forecasts, and Ms

Jinty Price, at BZW, expressed surprise at the increase in

interest charges for the period.

The shares dipped to 480p at worst but steadled later to

close at 485p, a net 4 off on turnover of 2m shares. BZW

lowered its forecast for the full year by 25m to 335m pre-tax, and maintained its favourable

view of the stock despite its

A market tuasle began in

shares of Wellcome with two

leading London houses taking contrary views on reports of

progress at Hoffmann-La Rocke with its DDC, potential anti-Aids drug, simed to rival

James Capel (Europe) told clients yesterday that DDC is progressing through definitive Phase these trials, and could be on the market in 18 months time. This knocked shares in

Wellcome, which ended 11 off at 485p. However, Mr Steve

Plag pharmaceuticals analyst at BZW rejected suggestions that DDC was in Phase three

A flurry of profit-taking emerged in a banks sector that hash easily outperformed the rest of the market in recent

sessions. But Barclays were immune to the downside pres-

Wellcome's Retrovir,

. 1ms

disappointment with the

interim report.

1100

1050

600

400

-200

The session yesterday pened uncomfortably despite wall Street's success overnight

in stemming its eight day fall-ing sequence. Share prices dipped smartly in early trading as traders scented a selling programme from a US house. Good figures from BP and Shall helped stem the retreat, but there was a cautious response to the rest of the day's corporate reporting list, which included such leading

> Also discouraging for equity traders were signs that at least two securities houses were selling the Footsie future contract, which unsettled the underlying

names as Grand Metropolitan

blue chip stocks.

Market turnover fell away. with the Seaq reporting system.

sure with dealers reporting keen huying interest for the stock, especially from the Con-

tinent; at the close Barclays

were 3 ahead at 467p on turn-over of 1.4m. Lloyds, among

the strongest of the banks after the recent spate of buy notes, suffered with a 10 decline to 370p while Midland fell 8 to

Allied Insurance, the USM-quoted insurance broking

firm, spiralled upwards to close 39 higher at 1380 on news that Mr Eupert Galliers Pratt and

Mr Nigel Cayzer have taken an

8 per cent stake in the group with a view to rapid expansion

in financial services. Mr. Cay-

zer will take over as Executive

chairman of the company at

the amusi meeting on June 21.

to struggle in the wake of the

wholesale downgradings that followed the interim figures

and profits warning, the shares

dropped 13 more to 233p as traders warned that a fall to

perhaps 200p could be on the

The previous session's fran-

tic late buying spree in Uni-toch, triggered by speculation of a possible bid emanating from Switzerland, fizzled out

and Unitech shares slipped

Cambridge Electronics, was

the latest company to issue a

cantious statement on pros-

pects and the company's shares fell sharply to close 22

Speculation that Sir Ron Briefley might add to his near 9 per cent holding in Vickers

lifted shares in the defence

group to 1939 at one stage. The New Zealand entrepreneur has

been re-arranging his UK port-follo, and some helieve the money from the recent liquida-tion of several of his interests

could be used to finance the

acquisition of more: Vickers shares: By the close Vickers

had come off the top, and the

A better than expected prof

its estimate from Gateway, the supermarket group currently fighting a hostile 195p-a-share

Gateway, possibly around 205p, but not necessarily from Isos-

A recommendation by Hoare Govett drew investors to BTR Nylex and the shares bucked

the wider trend to close 8 up at 227p. Comfortably the best Australian investment over the

past decade, said researcher Mr David Ireland, who sees fur-ther benefits from the superla-tive ACI acquisition, the first fruits of the Feltrax purchase

price ended a net 2 better

back 4 to 347p.

to 221p.

190p.

McCarthy & Stone continued

837p and NatWest 6 to 606p.

returning a total of 430.5m shares, against 466.6m in the previous session. Despite some improvement last week, equity volumes have remained low over the past two months, and there were hints yesterday that market firms were taking another, somewhat despatring, look at their financing costs.

Difficulties were believed to be experienced in pricing a large trading programme offered by a major investment institution; the programme was eventually withdrawn from the market. Adding to the general discomfort was the decision by NM Schroder, the unit trust group, to shed 15 per cent of its staff.

and good returns from the substantial A\$400m capex pro-

British Aerospace gave back some of Wednesday's late rise which followed the chairman'e comments at the annual meeting, closing 8 easier at 623p, while BAA remained under the shadow of a possible investigation into the group's pricing plans. The shares lost 5% more to 342p with a leading trader saying ruefully. "Investors are worried and are unlikely to regain confidence until this

matter is resolved either way."
On a brighter note, Braithwaite were ancouraged by news that disposal of the Godiva fire-fighting equipment subsidiary could realise £17m and rose 9 to 285p. Christies International bounded 61 to 965p in the wake of the highly successful auction by Sothebys in the US of impressionist and modern paintings and sculp-

The takeover hattle for Chamberlain Phipps reached an intriguing stage but the action occurred ontside the market. Evode claimed 41.1 per cent of the equity through eleventh-hour acceptances of its share-exchange offer and said it was still counting, while rival Bowater maintained shareholders representing 28.4 per cent had accepted its all-

News that major shareholder Capara Industries had increased its stake to 16.7 per cent combined with favourable advice from a securities house put Amistrong Equipment up 4 further to 167p. Mr David Jacobi of County NatWest WoodMac thinks the sale of Automotive Suspensions increases the likelihood of the

BASE CONTRACTOR STATE

cash terms.

·!

Government Sacs 88.54 86.56 86.52 127.4 (9/1/35) 25.85 49.18 (28/11/47) (3/1/75) (15/3)(4/1)1770.9 1447.8 (16/7/87) Gold Mines 173.3 174.4 174.7 174.3 734.7 6 S.E. ACTIVITY

FINANCIAL TIMES STOCK INDICES

High

Low

Ord. Di. Yield Earning Yid %(full) P/E Ratio(Net)(2) SEAO Bargains(Spm) Equity Turnover(Dm)† 4.47 10.82 11.04 4.42 10.77 11.21 10.79 11.20 27,059 1110.60 32,422 496.5 10.81 10.74 23,263 34,315 23,092 1449,78 Ordinary Share Index. Hourty changes

Opening 810 am. 811 am. 812 mm. 81 mm. 82 pm. 83 pm. 17842 17567 1760.1 17616 1757.3 1758.5 1761.9 DAY'S HIGH 17642 **BAY'S LOW 1754.8** Basis 100 Govt. Secs 15/19/25, Fixed Int. 1825, Ordinary 1/7/55, Gold Mines 12/9/55, SE Activity 1974, ANII 10.95 (Excluding Intra-market

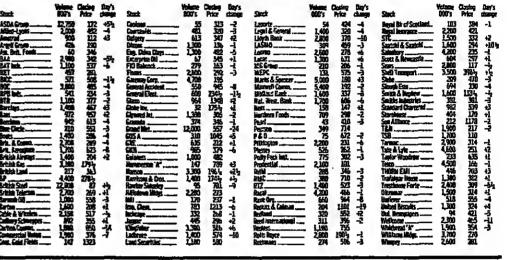
May 10 May 9 Gilt Edged Bargains 8.08 89.1 Equity Bargains Equity Value 5-Day average Gilt Edged Bargains Equity Bargains

Share Index: Tel. 0898 123001

Since Compitation High

Low

TRADING VOLUME IN MAJOR STOCKS



pup's independence, but the deal is sufficiently lucrative to warrant the current rating. Incas Industries responded belatedly to the ease with which Tuesday's 2.5m share placing was effected and rose 6 to 631p.

Boase Massimi Pollitt moved to within touching distance of the increased cash offer of 345p cash a share from French group BDDP, but the rise of 13 to 344p also reflected hopes of US agency Omnicom emerging as a white knight. However,

one analyst gave the new bid slightly more than an even money chance of succeeding. Gold Greenless dropped 7 to 321p after a cash call for nearly £12m, partly to finance a US acquisition, while Associated Paper dipped 16 to 219p after the interim figures. Saatchi &

reportedly on US demand which encouraged UK inves-tors to think moves could be afoot in America, and ended 10% up at 294p. The shares are near the top of the current trading range prior to the first-half results, which are expected towards the eod of

Saatchi staged a recovery.

the month," said one trader. Ketson returned from suspension after announcing losses and refinancing proposals involving the issue and placing of 55.7m shares, raising 25m net. The news lowered the shares to 15%p, eliciting a response from the consortium which recently approached Ketson. The consortium said it. expects to propose in the near

approach to the company's problems than that proposed

by the board. Laing Properties rose 15 at 530p on talk that Chelsfield, the private property group run by Mr Elliot Bernerd, was adding to its 8.3 per cent hold-

ing.
The slightly better sentiment towards Bond Corporation in Australia and reports that announcement of the Lonrho second interim dividend, scheduled for May 19, had been hrought saw a revival in the latter's shares. In larger turnover of 2.8m, they rallied 6 to 278p. The recent advance in LIT Holdings accelerated and the price closed 8 up at the highest point this year of 147p.

Other market statistics. including FT-Actuaries Share Index and London Traded Options, Page 26

FT LAW REPORTS

Third party can claim insurance

IRISH SHIPPING LTD v
COMMERCIAL UNION ASSURANCE COMPANY PLC AND
ANOTHER
Court of Appeal (Lord Justice
Purchas, Lord Justice Staughton
and Sir John Megaw): April 27
1989 .

fighting a hostile 185p-a-share bid from Isosceles, had hitle impact on the shares, which closed unchanged at 185p on good turnover of 4.7m. Analysts, however, pointed out that the figure of £213.7m put forward by the company for year-end April 1889, included a number of surprises. Dealers are expecting a higher offer for Gateway, possibly around 205p.

CO-INSUREES who contract on the same terms as the leading underwriter apart from differing percentages of risk, and who agree to be liable for their share on all decisions taken against him, have the "same interest" as he has in defending proceedings to transfer the insured's rights to a third party, and can therefore he sued by representative action although the claim is against them severally for their respective proportions of risk.

The Court of Appeal so held when dismissing an appeal by the defeodant representative insurere, Commercial Union Assurance Company pic and Alfiance Assurance Co Ltd, from Mr Justice Gatehouse'e refusal to

Justice Gatehouse'e refusal to stay proceedings by the plaintiff shipowners, Irish Shipping Ltd., and his refusal to strike out the representative characteristic of the action.
LORD JUSTICE STAUGHTON

said that the shipowners let Irish Rower on time charter to the

charterers.

Cargo claims were to be the charterers' liability. They took out insurance in the Balgian out insurance has the Baigian insurance market at Antwerp. There were 78 or 77 insurers, including Commercial Unioo and Alliance. About 33 per cent of the risk was insured by English com-

claims were made by cargo-owners, and were paid by the shi-powners under the terms of the bill of lading. They sought indemnity from the charterers The charterers went into liquidation. Two arbitration awards were made egainst them, but

were not honoured.

In the present action, the shippowners claimed to recover from the charterers' insurers, under the Third Parties (Rights against Insurers) Act 1980. Before commencing the action the shipowners had started pro-ceedings in Antwerp against all

77 insurers.

The English writ, Issued on December 29 1986, was against Commercial Union and Alliance "sued on their own behalf and on behalf of all other liability insurers subscribing." It claimed "the respective proportions due from them as subscribing underwrit-

The defendants applied for a stay of action pending determination of the Antwerp proceedings, or to strike out the words of representation from the wirds of representation from the writ.

Mr Justice Gatehouse dismissed both applications. His preliminary view was that the insurance contracts were governed by English law, which because the 1930 are into over

brought the 1930 Act into oper-ation. He considered the dispute would be resolved more quickly and at less expense in England than in Belgium, and refused a

stay on the shipowners' under-

taking to take all necessary steps to discontinue the Antwerp pro-

As to the representative char-acter of the action, the judge attached importance to a leading underwriter clause in the con-tract or contracts, and thought the action should continue as constituted.

The insurers appealed.
The leading underwriter clause provided that "all settlements of provided thet "all settlements of claims or contestations whatso-ever... by the leading under-writer, will be binding on all underwriters." The undersigned insurance companies declared themselves "liable for their respective share of all decisions taken against the leading com-pany."

pany."
Section 1(1) of the 1980 Act effected a compulsory transfer to the injured third party of the insured's rights against his

insured's rights against his insurer.

It was often said that UK statutes did not normally have extraterritorial effect. But where the court was faced with a civil dispute involving foreign elements, one had to enquire (i) what connecting factor applied to the dispote under Conflict of Lawe rules, and (ii) which country's system of law was relevant by reason of that connecting factor.

As the Act laid down no rule as to what was the connecting factor, the answer must be found in the common law Conflict of Laws rules.

Laws rules.

It was not necessary for the court to reach a final conclusion on the point at the present stage. It was fatrly arguable that the transfer of the obligation under section 1 was governed either by the lex situs of the insurers' obli-gations, or the proper law of the cootract, or the law governing bankruptcy or liquidation. It was not necessary to say more for the

not necessary to say more for the purpose of the appeal.

As to the representative nature of the action, Order 15 rule 12(1) of the Rules of the Supreme Court provided that "where numerous persons have the same interest in any proceedings" the proceedings might be begun and continued by or against one or more as representing all of them.

The question was whether it was necesary for the shipowners to go to the enormous labour and expense of joining all the insurers in one ection, or whether they might take advantage of the simplified procedure under Order 15 rule 12.

15 rule 12 It was oot a case where mem-bership of the class represented was unknown, nor where judg-ment might be given against a member without his having an opportunity to know of the

ction. Mr Pollock for the insurers put forward two grounds on which he submitted that the English action was not within Order Is rule 12. Both turned on the meaning of "have the same interest in any proceedings".

First, it was submitted that a

rist, it was submitted that a case could never be within the rule where damages or debt were claimed against all defendants severally. The claim was against

each insurer for its proportion of the loss, and none was liable for another's proportion.

Therefore, it was said, the insurers did oot have "the same Interest" in the action.

The strongest authority for the insurers was Markt v Knight Stamship [1910] 2 KB 1021 where it was held that a representative action could not be brought on behalf of shippers of goods lost in a casualty. Lord Justice Fletcher Moulton said that on a claim for damages a representative suit Moulton said that on a claim for damages a representative suit was "absolutely inapplicable". He said the relief sought by the plaintiff was "a personal relief applicable to him alone". In Moon v Atherton [1972] 2 QB 485 Lord Denning said "it was perfectly proper" for tenants of a block of flats to sue an architect for damages by representative action.

That was quite contrary to what said in Mcrkt. Thus was the law reformed. In EMI Records [1981] I WLR 923 Mr Justice Dillon held that

923 Mr Justice Dillon held that damages could be recovered in a representative action.

in Pan Atlantic o Pine, December 14 1988, CA Lord Justice Lloyd said the rule required fulfilment of three conditions: "First, the parties must have the same Interest in the proceedings: secondly, they must have a common grievance; thirdly, the relief sought must be beneficial to all."

In that state of the authorities, claims for debt or damages were not automatically excluded from not automatically excluded from a representative action merely because they were made by oumerous plaintiffs severally, or resisted by numerous defendants

The rule was more flexibla than that.
Mr Pollock's first argument

was rejected.

His second argument was that
if the issues were different in the
case of representatives and represented, there should not be repre-

sentative proceedings.

The likely issues were as to what was the connecting factor between the Act and the insurance cootracts, the sizes of the insurers' obligations, the proper law, and whether the insurers

underwriting agents and compa-nies which signed on their own, all on ideotical terms save for all on ideotical terms save for the individual proportions of risk. The leading underwriter clause could be taken to provide that, at least for some purposes, they were to be considered as one contract.

For all practical purposes this was one claim on one contract which the insurers all had the same interest in resisting, sub-

There would be no ioconsis-tency between representatives

and represented oo any of those

issues. There were 12 contracts, by

had a defence.

which the insurers all had the same interest in resisting, subject only to one point.

Some might wish to resist it on a ground that was not available to others — that their obligation was not situated in the UK, and

was not situated in the UK, and was oot taken to be situated in the same place as thet of the leading underwriter.

That did not show that all the insurers did not have "the same interest" in the English action, or that it was not within Order 15 rule 12. All defended because they said the benefit of their phil.

15 rule 12. All defended because they said the benefit of their obligation had not been transferred to the shipowners. Foreign insurers merely had or might have an additional ground for arguing that defence.

It was in general desirable that many insurance companies or underwriters on one risk should be capable of suing or being sued by representative action.

be capable of suing or being sued by representative action.

The appeal in respect of the representative nature of the action was dismissed.

With regard to the question of appropriate forum, there was no reason to depart from Mr Justice Gatehouse's conclusion. The appeal against his refusal to stay the action was also dismissed. the action was also dismissed.

Lord Justice Purchas and Sir
John Megaw gave coocurring

judgments,
For the insurers: Gordon Pollock
QC and David Mildon (Clifford
Chance). For the shipowners: Jonathan Gil-man (Ingledow Brown Bennison & Garrett),

Rachel Davies Barrister

FINANCIAL TIMES

Books and Management Reports are at

> 01 799 2002 Phone for free catalogue

APPOINTMENTS

Reorganisation at London Transport

hands during the day.
The consensus among followers of the stock was that the

stake would not be used as the platform for a full hid. It appears that the Belzberg

brothers were heavy buyers of Asda at 155p, and that they sold part of their accumulated:

Part of the same of the same of

LONDON REGIONAL TRANSPORT, the holding company for London's bus and Underground services, yesterday completed the reorganisation of its top management following a public inquiry report into the King's Cross fire disaster, writes Kevin Brown, Transport

Correspondent.

LRT said the position of chairman and chief executive of London Buses, the bus operating subsidiary, was being split into two parts to ease the workload on Mr John Telford Beasley. Mr Beasley was appointed acting chief executive of LRT, in addition. to his role as chairman and chief executive of London Buses, in the wake of Mr Desmond Fennell's report on the fire, which killed 31 people

in November 1987. The report, which was heavily critical of LRT, was followed by the resignations of Sir Keith Bright, formerly chairman and chief executive of LRT, and Mr Tony Ridley. chairman and chief executive

of London Underground. The new line up of LRT top management is: Mr Wilfred Newton, chairman and chief executive of LRT and chairman of London Underground; Mr John Telford Beasley, deputy chief executive of LRT and chairman of London Buses; Mr Denis Tunnichiffe,



Underground; and Mr Clive Hodson, managing director of London Buses. Mr Newton was formerly chairman of the Hong Kong

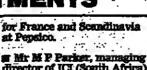
Mass Transit railway, Mr Tunniciffic was formerly a senior manager of British Airways; Mr Hodsen has been finance director of London Buses since 1980.

Mr Douglas Commaille has joined FILOPAX as marketing director for the UK and European operations. He was regional marketing controller



GEORGE WIMPEY has appointed Mr D.G. Brant (above) as deputy managing director of Wimpey Construction UE, based in Hammersmith. He was previously divisional director for the Scottish

and North Eastern regions of Wimpey Construction. managing director of London



in m r rarer, managing thrector of ICI (South Africa), has been appointed a director of ICI COLOURS AND FINE CHEMICALS from July 1. Mr Kenneth Dibben has m elected to the board of MARSHAM COURT
MANAGEMENT CO and appointed chairman in place

of Sir John Cuckney who has retired from the board.

BORTHWICKS has appointed Mr John Thresh as managing director of the meat products division. He was previously with G E Schouler a Co, recently acquired by Sims Catering Butchers, where his last appointment was as managing director. Mr Stephen Brennan, previously financial controller of Response Group, has become finance controller

Mr Alan Miller, finance director, has been appointed to the board of the FINANCIAL TIMES GROUP. Mr David Blacknell has been appointed company secretary. Mr David Hall will continue as company secretary of Financial Times Ltd in addition to his role as director of accounting services

of the meet products division.

JS PATHOLOGY has made the following appointments: Mrs Anne Spenight joins the main board as marketing director and Mr Michael Tinkler will be joining the board of JS Pathelogy Services as sales director.

The Manchester-based CO-OPERATIVE BANK has appointed its first group finance director. He is Mr John Marper, who joins the board on June 1 from ANZ Merchant Bank where he is finance

■ Mr Andrew Cents has been suppointed managing director of PHOENIX FLOORS. He was managing director of St James Tile Co.

Mr John Holliwell will join HENRY ANSBACHER & CO as a director in the banking department on May 18. He joins from Barciays Bank where he was a senior branch

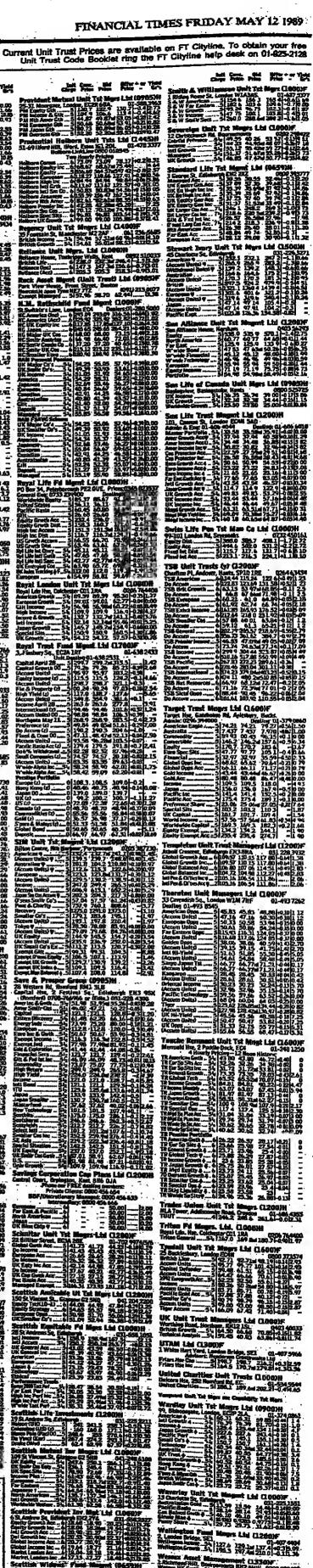
Mr Martyn Deaner has been appointed chairman of MIDLAND & SCOTTISH RESOURCES and is joined on the board by two new non-executive directors, Mr John Gunn and Mr Campbell Aften. Six non-executive directors including the former chairman have resigned; they are: Mr Atle Jebsen, Mr Ross Belch, Mr Erling Gabrielsen, Mr David Gault, Mr Kyran O'Dwyer and Ms Inge

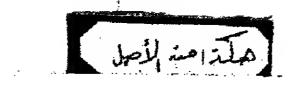
■ Mr David Mann has been appointed engineering director of the ANALYTICAL DEVELOPMENT CO. He was previously chief engineer of of the zero and defence division of Hawker Siddeley Dynamics Engineering.

38	
	Inst Care. Bid Offer a Yaris Once Price Price - See
AUTHORISED	CCI. Unit Trusts Ltd. (14-00)3F 74 Shriderth Beach Sings, W12 SS0 10K Genral 15t. 55 54 00 54 86 58 671-0 02-70 Giobal 7st. 55 54 00 54 86 58 671-0 02-70 Giobal 7st. 55 54 00 54 86 58 671-0 02-70 Recovery 1st. 55 54 04 56 03 68 68 68 10 0311.92
UNIT TRUSTS	CIBC Unit Tet Managers old (1200)H Cottom Cr. Cottom Lev. Los SEI 201 01 234 6000 Growth F4 Act 5106-3 107-74 113 610-23-30
Abbey Unit Tst Magrs (100018 80 Holderburg Rd, Bourbesteath 0345 717373 High Lacouse American (1001) 50 67 53 00 (411) 5 08 6103 & Fived Ltt. 112,0 112,0 118 9 (-0.18 11	125 High Notions, Lendon WCLV 6PV 01-2421148 CS America 5155 30 55 30d; 50 82 -0.51 0 56 CS Interculosal 5154 16 54 16d 57 61 -0.04 1.87 CS Layan 5124 0 124 0 131 91-090.33 CS Portfolig for 651 70 50 70.38 73.0914.351
High Increase American Income	Canada Life Boit Tst Mgrs Ltd (1200IF 2-6 Hige St Pottern Ber, Hers 1 Lar Can Bist 280 5 129 5 151 1-3 13 6 Do Gen Accour 200 5 129 6 129 6 129 6 129 1 10 10 10 Do Interne Olist 5 10 75 97 98e 102 7 10 10 5 00 Do Int Accour 5 124.8 222.6 25 5 1400 5 00 Bill & Fad Int 5 15 5 5 5 5 5 5 5 6 5 00 18 20
Secretar General Company Compa	Cartner Fune Managers LIS (07) UN
Masterires 6835 253 253 253 251 250 - 1 60 UK Growth Act 5 251 251 251 251 251 251 251 251 251 2	1 Olympic Way, Wernbier, HAP DAS 11-902-887b.
Abfurst Management List C1000H 10 Deeps Ferster Aber-lees 189 10.0 0200 813580 America Growth 512 37 7 83 712 0 729 40 117 80 European S 54 58 58 7 83 7 83 7 81 10 7 87 60 117 80 European S 54 58 66 58 60 58 64 64 013 67 European S 620 7 90 10 82 66 50 10 80 12 80 European S 620 7 90 10 82 66 50 10 80 12 80 European S 620 7 90 10 82 66 50 10 10 10 10 10 10 10 10 10 10 10 10 10	Japan 4 95 102.7 104.4 11.1 1-0.200.01. Intl Carrenty Bd. 5-9 42.00 42.00 42.00 44.52.0 00.6 74. Strategic Opps 5-5 153.80 94.87s 98.69-0.2512.7 Capability Trust Minges Ltd. (12.00)F Admie. 5 Envirola Road, Hatron, Brestwood, Esser
Larengs 1 702 P 792 tos 325 6 - 3 982 46 Later Interval 54 42 84 - 34 45 75 - 41 56 40 145 69 Flat (new time 54 41 57 41 71 44 68 40 340 00 Flat (new time 54 41 57 41 71 44 68 40 340 00 Flat (new time 54 41 57 61 25 6	Capability Trust kinges that C.200/F Admio, 5 Revielek Boad, Hatton, Berestmood, Esser Enquires 0277 227300 Beallon 0277 251818 Americas & Gea 169 75 70 534 77 834 71 80 11 62 62 Geometrics 1 5 10 6 10 73 8 48 78 33 40 11 62 62 Geometrics 1 5 10 6 10 73 8 48 78 33 40 11 62 62 Geometrics 2 5 10 6 10 73 8 48 78 33 40 11 62 62 Geometrics 3 6 10 6 10 73 8 78 78 78 78 78 78 78 78 78 78 78 78 7
Grit & Freed M. 154 175 27 73 07 31 76 93 10 12 4 28 1600 64 6 Groveth54 17 20 7 73 07 31 76 93 10 12 4 28 161 1600 66 6 Groveth54 188 3 188 3 198 8 10 10 10 10 149 3 1 10 10 10 10 10 10 10 10 10 10 10 10 1	Vaccum Units
Sentine Sec Sits 5 1 269 is 269 (is 287 8 4 0011 93 5 mailer Campains 5 4, 60 14 60 14 4 60 14 64 12 4 64 20 4 64 20 4 64 20 4 64 20 4 64 20 4 64 20 4 64 2 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	High Yield
1 White Hart Vd Lenica Bridge SEI 14X 01-207,3466 Etnical Tri 5148 95 98 95 104 11-0 213 00	7nster
Aegis Lunit 7 at Mingritt Ltd 1140u1/F 44 Whitstadies Rt. 97:501. 528 100: 0272 237593 for Generia 647 43 47 43 50.38 1.30 Catalon lini Recovery 54 80 85 50.08 52.772 -0351.50 Gillifon Prim Perf 64 90 85 50.08 52.772 -0351.50 Gillifon Prim Perf 64 90 85 50.42 53.64 -0001.50 FS Income & Gent 65 50.35 51.07 55.33 -047 00 FS Income & Gent 65 50.35 51.07 55.33 -047 00 FS Recolas & Gent 54 80 91. 49 66 53.12 -0044 58 Stachus Francis C 54 80 91. 49 66 53.12 -0044 58 Stachus Francis C 55 50.00 50.71 -0312-50 Backstore Factor 55 51.10 52.00 55.32 -0.0612-50	Gecum Units1
PS Income 8 GeVI - 6 30.36 51 07 34.35 - 0.014 50 58 income 8 GeVI - 6 30.31 47 70 00 44 51.81 - 0.014 50 58 income 8 GeVI - 6 50.71 - 0.014 50 58 income 8 GeVI - 6 50.71 - 0.014 50 58 income 8 GeVI - 6 50.71 - 0.014 50 58 income 8 GeVI - 0.014 50 58 inc	heroses 515 54 550 6 50 55 62 7 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
AEtha Unit Trusts Ltd (1600)2 AEtha Hogre 2-12 Pertomille Road Lendoe N1 9XC Broker Plag (8800)10 969 Public Ring (2000) 181768 Currocat Growth 7 2 1447 1487 1497 1490 1590 Far Extrem F 5 238 7 258.2 276.2 -1.50 00 Far Extrem F 5 238 7 258.2 276.2 -1.50 00 Far Extrem F 5 238 7 258.2 276.2 -1.50 00 Fin 8 Property F 5 85 68 89 01 94.22 -0.13 225 High Yield F 5 500 33 92 278.2 294 8 -04 10 Facura Units F 5 5 253 1 227 9 241.3 -0.55 08 Rechas Growth F 5 5 500 5 96 5071 50.00 Rechas Growth F 5 5 500 5 96 5071 50.00 Rechas Growth F 5 5 1192 1288 1274 3 -0.54,44 Uscum Units F 5 5 1192 1288 1274 3 -0.54,44 Uscum Units F 5 5 1192 1288 1274 3 -0.54,44 Uscum Units F 6 5 1192 1288 1274 3 -0.54,44 Uscum Units F 6 5 1192 1288 1274 3 -0.54,44 Uscum Units F 6 5 1192 1288 1274 3 -0.54,44 Uscum Units F 6 5 1192 1288 1274 3 -0.54,44 Uscum Units F 6 5 1192 1288 1274 3 -0.54,44	Capital House Unit Tst Mgrs (0905) H Capital Hoses, Fertival Souare, Editobergh, 1031-228 4477 Deailing 1800 8335-51. Europan Count Ltd., 5-k; 224 00 24 99 25-58 - 0001 50 tocome 6 Genth, 5-k; 224 03 24 25 25 25 26 26 26 26 27 26 27 27 28 28 28 28 28 28 28 28 28 28 28 28 28
Far Eastern F	Jacon Gwith (2) 54 34 35 37 32 455 18
(Accume United F 5, 223 1, 227, 9, 241, 3, -0, 55, 08 Bertias Growth F 5, 55, 00, 90, 95, 971 1, -0, 00 Income & Growth F 5, 348, 4, 353, 2, 374, 1, -0, 30, 4, 44 UAccum United F 5, 1192, 1298, 1279, -1, 40, 44 Brill Earning F 5, 223, 4, -23, 44, 226, -0, 60, 25, 53	16 Tolesborze Yard, London ECZR 7AK 01-606 0708 Cazanore Portfolio - 5196,38 56-43 60-361-01212 62 European Portfolio - 5140,96 51,23 54.801-0061.50 Charines (Charisharett (3000)F
brit Growth F	33 King William Street, ECRP 945 C loop Inc May 10 2 664.5 661. 156. 1 170 590.109.69 C loop Ace May 10 2 664.5 664.5 661.2 1-0 44 9 66 C Surv Ise May 10 2 168.7 148.7 154.2 2-0 61.3 61 C larv Ise May 10 2 152.1 162.1 168.0 1-2793.61
bott Growth F	Chase Manhattan Fund Mgrs Ltd (1600) Leconfeld He, Curon St. London W1 01-726 7708 5 & C Spec Sits
Smaller Go Bie 5 1024 8 107.7 114.00 4 503-16 tocam units F 5 102.80 117.00 15 10 4 5014 15 Sectus 511.6 5 105 6 140 5 148 8 -0 11-40 tocam units F 5 105 6 140 5 148 8 -0 11-40 tocam units F 5 140 3 141.5 40 3 149 2 40 40 40 40 40 40 40 40 40 40 40 40 40	
All chareches Tary Migratt Servis Ltd (1.200H) 19(2) Bulliter Street, London EC3M 2RY 01-528/7344 Amity Income 59 50 60 60 64 64 64 64 64 64 64 64 64 64 64 64 64	Pacific Growth 54 67 86 67 86 73 91 913 34 UK Growth Acc 54 77 26 77 26 83 53 93 93 21 213 UK Growth Otst 54 72 68 72 68 78 58 92 213
Allied Dunhar Unit Tsts PLC (1600)F Allied Dunhar Centre, Swindon, SNI 1EL	Citicorp Unit Trust Managers Ltd (1000)F Admin. 5 Rayleigh Rd. Hutton, Brestwood, Essex Engisters 0277 227300 Bridge Am Get Inc., 5 0849 08.48 72 081-15-01-23 D0 Accom. https://doi.org/10.1117/11174.851-011.23
Balanced Trans. 5 72/6 72/5 74/8 -19/3.21	UK Income 34,16078 6078 60.731-0.2015 12 Citicorp Unit Trust Managers Ltd 10.000)F Admis, 5 Rayleich Rd. Huttun, Brentwood, Esser Engalvies (2077 22790) Dealing 6277 231010 Bridge Am Gerline, 5 88.49 69.48 72 091-1501123 Deacons 5 211 17 11 7.455-161 12 Deacons 5 211 17 11 7.455-161 12 Deacons 5 210 527 55.49 60 1012 55 Deacons 5 210 527 55.49 60 1012 55 Deacons 5 210 527 55.49 60 1012 55 Deacons 6 25 05 05 05 05 05 05 05 05 05 05 05 05 05
Income 17th 15th 15th 15th 15th 15th 15th 15th 15	Bridge Ex temporated
International Transb. 5 74.694 79.54 40.34 1.41 European Erreuth. 5 20.90 20.00 22.25 406 1.17 107.27 107.3	City of Landon Unit Tst Mgrs Ltd C.100)F Saddlers Hs, Gatter Ln, London ECZV 6BR 0392 412144 Hydridte Co May 19 _ 11 18 12 18 12 18 761 13.36
W wide Asset Val	Cierical Medical Unit Tst Mgrs Ltd (1200)H Narrow Ptalo, Bristol 852 0.H (0800) 373993 American Goth 6 12-80 23.04 24.51 40.610.37 Atlas Mingd Goth 6 25-34 25-34 25-09-40.07.02 Pragon Growth 6 121-54 31.54
Special in Trusts Accet Value	Equity rigin sec
Anthony Wieler Unit Tst Mgmt Lid (1000)F 131 Finduny Parenter, EC2A 1AY 01-628 9876. Growth Income	Clerical Medical Unit Tst Mers Ltd (1200)H Marror Ptal, Ristol 852 0.H GROOD 737393 Marrot Lan Gerth
Arkwright Management (1400)F 1 King St. Manchester M60 3AH 061-8320242 Growth May 9 5 111.6 111.6 118.7 12.33 roome May 9 5 52.69 53 47 56.88 5.71	1 White Hart Yard, Loodon SE1 1HX 01-407 5966- CM Capital 4 6
Reterrational	Commercial Union Tst Mgrs (1.600)H S. Heters, 1 Dudorshat: ECP 3000 miles 01-565 9818 CI UK & Goord \$ 1.65 6.18 50.59 -0.11 2.53 Do Acont \$ 1.65 6.18 50.59 50.60 50.60 6.10 10.35 CI Write \$516 \$ 5.07 50.92 50.90 50.90 50.18 50.00 Do Acont \$ 39.96 39.98 42.53 4.10 1.89 Do Acont \$ 39.96 39.98 42.53 4.10 1.89 CU For East Gth \$ 18.90 11 81 11.10 88.29 4.94 10.00 CU Armica Common 61 \$ 18.95 4.95 54.00 3.34 0.48 11.30 CU Grant Common 61 \$ 18.95 4.95 54.00 3.34 0.48 11.30 CU Write \$64 6 \$ 18.95 4.95 54.00 3.34 0.48 11.30 CU Write \$64 6 \$ 18.95 4.95 54.00 3.34 0.48 11.30 CU Write \$64 6 \$ 18.95 4.95 54.00 3.34 0.48 11.30 CU Write \$64 6 \$ 18.95 4.95 54.00 3.34 0.48 11.30 CU Write \$64 6 \$ 18.95 4.95 54.00 3.34 0.48 11.30 CU Write \$64 6 \$ 18.95 4.95 54.00 3.34 0.48 11.30 CU Write \$64 6 \$ 18.95 6.00 6.00 6.55 8.00 6.55
B & C E Unit Trust Mingrat Ltd (1000)H Manor Royal, Crawley RH10 20P 0293 26911 16CE-Proschem _1154.79 56.35 58.691 (2) 3.0	10 10 10 10 10 10 10 10
Baille Gifford & Co Ltd C400H 3 Gierflads 9, Ediburys Janas Ezet May 20 - 21 565.6 565 6 585.8	CIJ American Gib 51, 59:54 59:59 del 33 4: 40:811.30 CII Empoun Gib 51, 68:75 68:75 64:63 -0.300.68 CII W wide Bd 51, 47:23 47:21 97:98 -036:559 Do Accuse 51, 49:52 97:52 52:40-607:559 CIJ Gil & Fird Int 51, 40:00 46:00 48:51 -0.00 [6:03
Mongi Expt. May 2 - 5 111.2 112.2 119.4 22.6.1 119.6 119.6 24.5 24.5 24.5 24.5 26.1 5 4.100.00 86 America 9 - 5 123.6 24.5 2.0 12.5 4.100.00 86 America 9 - 5 123.4 216.4 210.5 27.5 27.5 27.5 27.5 27.5 27.5 27.5 27	Do Accuse \$\ \begin{align*} \q
BG Berlisk Gerth	Do Accours — — 54 53.85 55 85at 57.29 60.613 0 0 0 0 0 0 0 0 0
36 Onem St. Landon. CCAR LBIN 18.1. 27.6. 4210 Brt & Cream St. Landon. CCAR LBIN 18.1. 17.6. 4210 Brt & Cream St. Lbin 18.1. 17.6. 4210 Brt & Crea	CV RUNY INC Ples 61 - 47 00 - 40,001-40,0010 to 10 CU Outlier Researched Co Lid Fereneric Better Researched Co Lid For Cu Outlier Georgi 9 65 76,6 576,6 64 0.1. 2.64 00 Outlier Feorery 6. 3335 333.5 352.6 2.64 00 Outlier Feorery 6. 3335 333.5 352.6 2.64 00 Outlier Feorery 6. 3335 3332.5 352.6 2.64 00 Outlier Feorery 6. 3335 3332.5 352.6 2.64 00 Outlier Feorery 6. 3335 3332.5 352.6 2.64 00 Outlier Feorery 6. 3326 40 00 Outlier Feorery 6. 407.2 407.2 430.6 2.50 00 Outlier Section 9. 504.6 362.6 2.50 00 Outlier Section 9. 504.6 362.6 2.55 00 Outlier Section 9. 504.6 2.55 00 Outlier Secti
Unicorn Hre. 252 Remford Rd. E7 December 19: 18: 10: 18: 73.00 87.24at 93: 08: 40: 711.70 Do Aust Av	Confederation Funds Mingt Ltd (1200)F Lytton Way, Stressing, Herrs SGI 2NH 0438 744840 Crossle Fand
Do Aust Inc	Property States
DOGUE & Fortier 31, 160 AD 83 88 84 83 Ld 15 0 90	1 White Hart Yard, London Bridge, SE1 10X01 407 5966 Completent UT
Do Jon & Gen Az: 51-250.0 Be2.1 279.6 +0.9.0,00 Do Jon & Gen Az: 51-259.1 259.1 276.4 +0.9.0,00 Do Jon Spec 5its 51-262.0 62.57 66.74 +0.440.00 Do Lethare u3: 51-251.0 125.3 131.5 -1.00.72 Do Recovery, 51-30.0 73.33.9 -0.92.54 Do Smitr Get Az: 51-464.5 47-5 40,000-4421.49.0 Do Smitr Cost Rec. 51-464.4 64.5 47-5 40,000-4421.49.0 Do Smitr Cost Rec. 51-464.4 64.9 2.9 40,051-4001.49	Co-op Pensico Fds UT Mgrs Lbi (1000)H 33 King William St. London ECAR 9AS 01-280-2800 Emity Dist Mary 20 (639.4 639.4 651.1
Do Seccial Sits 54, 1192.9 192.9 205.81-0.112.05 Do Trustee	Consisting Unit Trusts Mingrs Ltd 10001F PO Box 136, Sectionium, Rent BRS 40X. 01-6689611 VIK Early In ca 5 b0.67 61.24 96.15 40 ffl 4.0 UK Early In ca 5 b0.67 61.24 96.15 40 ffl 4.0 UK Early In ca 5 b0.48 50.57 60.79 -001 4.0 UK Early In ca 5 b0.49 64.22 68 42 -01 4.1 1 Property Sh Inc 5 38.30 80.38 41.44 -017 2.9 Property Sh Asc 5 40.00 40.00 43.19 -0.01 2.9 Forts of Sh Asc 5 40.00 40.00 43.19 -0.01 2.9 6ft 4 Fixed Int Sec 5 40.00 40.00 43.19 -0.01 2.9 fth 4 Fixed Int Ca. 5 40.50 47.01 40.00 40.01 47.77 High Intermet.
But low Fg loc 312693 26934 280.51-0.913.45	Property St. Inc
PO Bor 156, Recleating, Kert 8R3 470 01,458 9002 American Growth 553,16 1,39 34,52 9,11 1,4 American Sinit Con 5, 163,73 49,000 1,79 41,23 1,1 Australia 5,100 1,7	Crosed House, Weking GU21 LVCV 04862-5033 American 6123-6 123-6 123-9 10-40-5 Canadian Gwth 6124-56 26-56 28-41-0.11 0.54 Ehropost 6114-4 115.7 123-81-0.510.13 Growth 1310-8 3142-236.0 -0.312-63
Cional Growth 5/68.22 68.22 72 9860.65 [LO	tow Trust Fd 5 33 72 34.26 36.68 40.05 0.3 Japanese 6 5 287 6 290.0 310.2 40 1 0.0 Mingd let Equity 6 32.08 32.42 34.67 -0.05 2.01
Select Managers 4 5 52.07 53 03e 56 26 44 1.2 For Barrington Trusts see Kleinwart Sarrington Ltd	Darbington Unit Tet Mogt Ltd (1200)F 9 The Descort, Physicath FLI 3A8 0732-673873 Tutal Perfonce
11 Blomfield St. London ECZM 21.8 01-374 262344 Far Eastern 529-5 242.5 253-5 11.17 Mrs. London St. 193.0 195.5 206.5 11.94 UK & European 51335.5 349.04 367 5445 013.81	Dimensional Tat Mangert Ltd (0905)F 1 Absence St. Losto W.X.34F Europes Seal Con
155t James Place, London SWIA IKW 01-4938111	C/O Garris Miedelson. 64 Wilson St. E22 01.377 8019 One Inc May 11. 3 316-7. 3 46. 177.4 D.00 On Incom May 11. 3 316-1. 316-1. 332.7 350 Draumstowned Fusted Manage Ltd. C249007 I White Hart 74 London Bridge SEI 10X 01.407 576-6 Geor Can Fel Inc. 540 21. 46.214 50.33 406.11.98 Gen Los Fel Acc. 560.34 65.348-92.44 40.15.48 Gen Los Fel Acc. 510.34 65.348-92.44 40.15.48 Gen Los Fel Acc. 510.51 188-1. 204-340.05.52
Can & Foreign Acc 5 1253 2 2552 267.31+2.312.25 Special Sits Inc 5 1233 1233 204.0 -2.77 Special Sits Acc 5 1197.6 197.6 208.5 -2.77 Special Sits Acc 5 1197.6 197.6 208.5 -2.77 Special Sits Acc 5 1197.6 197.6 208.5 -2.77	Domenii Trust Milgint Ltd (1600)F
5 Gillsper St. London EC1A 90E 01-248 4400 Brown Capital54; 202.3 206 8 220.0 11.74 Brown Olvidend .54; 98 62 103 2 169.7 5.74 Brown M Chinc. 56; 227.3 237.0 252.1 3.71	Demand France Ch 54, 36.54 36.54 36 87 -0.25 1.30 Demand Seria Gib 54, 28.00 28.00 29.88 -0.47 1.40 Demand UK Ch 51, 48.01 28.00 29.88 -0.47 1.40
9-17 Perymoust Rt Hawards Irth 0-044 4128-23/14/15 Mod P Tollor Rt Hawards Irth 0-044 4128-23/14/15 Mod P Tollor Rts 6 137 4 157 4 1585-0410 UK Georgia 6 137 4 157 4 1585-0410 Care-them Its Irth 137 13 13 13 13 14 10 5 -0 2 1 10 Care & Georgia 6 24 73 247.23 1041 -0.48.30 Care & Georgia 6 24 73 247.2 28.47 -0.89	DurmenIII Unit Tst Bigmrt Ltd (1400)F 5-531 James St. Lendon SWIA LIT 5-631 James St. Lendon SWIA LIT 5-631 James St. Lendon SWIA LIT 5-631 James Jame
Carersham E. Inc	25, Revision Terrace, Educação 031-315,2500
Income	Hth Amer (2) 9 5 122 6 124 0 132.0 -0.810.40 Exempt
Brycourt Unit Tst Nigort Ltd (1400)F Hesketh Hse, Portman So, With O.R 01-935 6382 Income Groups 11186 3 186.34 192.51	EFM Unit Tst Magrs Lid (1,400)H 4 Mebile Creases, Elistoreh
Buckmaster Mangant Co. Llaf (1200)H The Stock Exchange, London EC2P 2.17 Emerging Greit 167 33 69.04 73 25-664 [1.39 (Accam Units)	Assertate 5 168.1 58.1 7.3.2 6 191.2 7 Control 5, 167.7 14.5 7 18.5 10.6 1.2 2 Control 105.1 5.1 5.1 5.1 5.1 5.1 5.1 5.1 5.1 2 Control 105.1 5.1 5.1 5.1 5.1 5.1 5.1 5.1 5.1 5.1
General Inc. 5 399.2 31.7 339.7 -0.32.6.1 General Inc. 5 399.2 31.7 329.7 0.32.6.1 General Inc. 5 39.6 0.0 0.53.2 0.1 General Inc. 5 39.6 0.0 0.53.2 0.1 General Inc. 5 39.6 0.0 0.4 3.8 3.0 0.0 0.0 0.4 3.8 3.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0	Totayo
Smaller Co's	UK 500-th Act6 137 1 137 14 145 0 -0.70 1 84

_	FT UN	<u></u>	TRUST	Otto + or Yield	
•	Ricon Lbd (1600)F Central C. Kmil Rise, Projection 896 01A 0689 7053 Etcon Treat,	Govel Skacki - 01-376 Americ Americ	th (John) Unit Mgart Lind team Home. 4 Battle Bridge Lind Home. 4 Battle Bridge Lind Lind Lind Lind Lind Lind Lind Lind	1 000)F ine, London SEI supe, 01-568 0526 75-17-62 (0.21 73-56 -0 164 29	1
}	Equitable Units Admin Ltd (2600)F Walton S., Aylesbury, Back HP21 (701), 0.296-431.68 Eurorean	Japan : Japan : Europe Pacific UK Spe	Minerals 51 51 78 31 38 5 mth 5 51 58 77 14 6 5 5 64 98 54 97 14 6 6 5 5 64 98 54 90 16 5 5 7 16 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	10 99 1351.94 62-50 4000.00 58 80 4 511.17 10 77 4052.84 179 94 451.67 61.37 40 60 41	1
	Prilitan 5 (10) 35 (10) 25 (11) 36 (13) 36 (13) 37 (10	GI Sent	rille limit Tet Mourest I t		
	Equity & Law Unit Tet Mogrs (1200)H Equity & Law Unit Tet Mogrs (1200)H Equity & Law He. Corporation 51, Coverty (200) 559233 UK Growth Acc 54, 703 2, 206 Let 214 31 4 0013 55 UK Growth Sec 54, 170 2, 206 Let 214 31 4 0013 55 UK Growth Sec 54, 170 8, 283 5a4 408.01 - 1,004.75 Uk Growth Sec 54, 172 7, 273 26 26 0, 0 5 0,04 75 Ukigher Inc 10 58, 207 7, 273 26 26 0, 0 5 0,04 75 Ukigher Inc 10 58, 202 18 02 18 423 4018 18 18 18 18 18 18 18 18 18 18 18 18 1	Gapital Sciali i Bridge Gresh		01-621 1212 84 07-01 12 19 82 62 -3.40 79 235.41+5 04.04	
	For East 54, 260 250, 120, 200 241, 14, 14, 200 240, 200 250, 120, 200 250, 120, 200 250, 120, 200 250, 120, 200 250, 120, 200 250, 120, 200 250, 2	Europe Global Income Set I inc Htb Am	Marie Volt 152 mags Conducted IV. Southernation 507 1.07 mas Gwith 6 21 21 21 32 mas Gwith 6 168.7 169 16 168.7 192.5 mas 6 23.83 24 06 marie Ma	07/03 212000 22 25 1 - 012 1 21 180 9 - 0 1 10 69 205 9 - 0 9 1.86 25 74 - 0 01 2 91 26.18 - 0 00 0.65	
	Stobal Ones	Grafus SI Beli Grafus Grafus	and Managers Limited Commer Rd, Unbrudge Middr USB of American 5 [44.27 95 18 Asstraling \$-5 (63.63 64.40	2003H 107 0695 59783 100 1 449 12 35 67.79 40 16 5.17	
,	Capital Growth	Grofos Grofos Grofos Grofos	and Managers Limited Comment Rd, Unbridge Midder UBBS of American 5 Not. 27 95. 10 Accordance 6. 5 63.63 64.40 (Britise 6. 55. 15.109 521.10 Equity 5 129.4 130.6ed European 5 110.8 113.0 64 181h	55.06-0054.55 138.9-0351.38 1190-0352.75 72.89-0098.33 166.2-0090.00	
	FS Investment Managers Ltd (1200)H 140 West George St, Glasgow American Gehine 6 / 25 / 25 / 25 / 24 / 33 / 27 / 20 / 30 / 30 / 30 / 30 / 30 / 30 / 30	Royal & Earons GIK & Growth	Han Royal Ex Unit Magnorating, London E237 325 Freed 299, 9 Freed 4 111, 2 112, 9 Freed 529, 6 229, 9 Freed 7 111, 2 112, 9 Freed 7 11, 12, 12, 12 Freed 7 11, 12, 12 Freed 7 11, 13, 13, 14, 15 Freed 7 11, 13, 13, 14, 15 Freed 11, 13, 14, 15 Freed 11, 13, 14, 15 Freed 11, 14, 15 Freed 11, 15	01-688-9903 313-1-2610-81 117-3-0-119-04 314-0-0-62-09	1
	FS Investment Managers Ltd (2200)H 140 West Goods St. Gingow American Ghi Inc. 6 127 85 27 85 26 53 40270.98 American Ghi Inc. 6 127 85 27 85 26 53 40270.98 Emposass Gerth 6 22 22 22 22 23.64 40000.17 FS Balanced Gth 6 12.69 72.89 77.54 40000.17 FS Balanced Gth 6 12.69 72.89 77.54 40000.17 FS Ginbal Bord Inc. 6 127 87 25 77.50 50 6000 FS Ginbal Bord Inc. 6 127 87 25 75 120 6000 FS Ginbal Bord Inc. 6 127 87 25 75 120 6000 FS Ginbal Bord Inc. 6 127 87 25 75 120 6000 FS Ginbal Bord Inc. 6 127 87 25 120 6000 FS Ginbal Bord Inc. 6 127 87 25 120 120 120 120 120 120 120 120 120 120	Pacific Prop Si Small (GRE Us	refran 9 \$ 137.7 139.9er 9 \$ 317.4 321.4e 137.7 323.4e 137.9 363.7e 137.9	148 0 +0.9 1 36 340 1 -0 8 0.00 406.2 -0.6 1 40 340.9 -0.6 1 74 961 236 5465 18 301-0 105 10	
	To the control of the	Galid 3, First Gold b	Management Ltd (1600 bery Square, Logdon EC2A 1RT of Con	01-636263 42-97	
	130, 7ontridge Rd, Toshridge TN11 902	Gelon	Marken Unit Tet M pr. 442, 32 5t Mary-n-HILL ECS as Growth \$150.75 55 52 52 50 50 50 50 50 50 50 50 50 50 50 50 50	01-623-9333 59-281-011 0.60 53-411-015 0.50	
	Parties Grant Order Of 1416.1 American	Recorer High In Do Acca North A Yespie 8	y	993 50 -0.40 1.86 106.50 -0.50 5.20 106.20 -0.50 5.20 127.60 -0.10 0.54 02.30 -0.3 40	
	Curcipsian - 5° 803.2 30. Acta 32.74 - 0.07 0.00 0.00 0.00 0.00 0.00 0.00 0.	Temple B Do Acca St Vince St Vince	r USM ne _2+ 17020 17020 1 em2+ 18265 18260 1 & Hooks* _1 11350 11650 1 = US Get* _3 55 22 55.22 *Investment Manager Grang M	H3 10 -5 24 96.50 -5 18 19.40 -0.40 5.72 57.42 -6 18 0.84 Intileton	
	Growth & Inc 54 131.7 131.7 141.3 0 1071.67 1071.	Harmb Admin, Enquiri Propert	ro Gesterali Fand Mgrs 5 Rayleigh Rd, Hutton, Bresters 6277 227300 Dea y Share	LH CL6000XF 2	
	Degree Plant	Haces Admin, Enquiri			
	Arser Spec Sits 54, 109 6 110 4 117 6 6 80 10 00 Coh 54, 98 31 98 31 10 37 6 10 10 00 European 54, 141 1 42 7 152 0 50 0 50 0 00 10 00 00 10 00 00 00 00 00 00 00	Canadia Equity I Europea High im lets Situ	## 5 47.67 48.37 moome 5 115.5 115.5al ## 5 97.77 96.68al ## 5 87.72 87.72al pation 5 56.39 56.39	51 32 40 fil 0.94 122 9 - 0.30 5 74 104.7 - 0.10 0.68 93.32 - 0.14 6.52 60.31 - 0.04 0.73	
	Neorae Phr. 52 13-7 13-5 13-7 13-10 00 13-8 13-7 13-10 00 13-8 13-7 13-8 13-7 13-8 13-7 13-8 13-8 13-8 13-8 13-8 13-8 13-8 13-8	North A Recourt Scandin Smaller UK New	res Unit Trast Managere 27 Taylelp Rd, https. Brath 27 T22730 0000 Brath 18 55 22 5 90.00 0000 Brath 18 57 74 48.37 18 57 77 98.684 18 57 77 98.684 18 68 58 75 75 77 77 78.684 18 78 78 78 78 78 78 78 78 78 78 78 78 78	170 0 +0 8001 71 12 +0 49 0.79 75 83 -0 24 1 56 107 4 -0 80 89 40 21 -0 81 1 64 49 11 -0 07 0 71	
	Secial St	Admin, Esquiris Family I	man their Tet Manuel 1 !	tal (1200)# stweed, Esser lim 0277 261010	
	Foreign & Colonial Unit Stagmt (1200)F Larrence Positive Hill, ECAR (98a 91.422 4680 European Inc	Family is Family is UK Pun Special	5 Raylelpk Road, Hutton, Bresso 277 227300 5 Raylelpk Road, Hutton, Bresso 277 227300 6 Senierona - 54 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	57,37 +0.12[1,79 58,8 -0.000,67 58,85 -0.005,15 58,97 -0.076,96 230,00 -0.10[1,36 332,31 -0.10[1,36 168,944,00[2,7]	
	FORSTAW WATSON U.T. MORS LTD (1630)F	Recover Capital (Accum Income Financia	54 156.1 156.1 Growth 54 77.56 77.56 Units) 54 86.44 86.44 6 Assets 54 146.1 146.2 al 44 191.2 191.2	168 9 44 40 2 77 76 5 4 36 2 65 92 4 4 32 2 85 156 3 4 30 4 77 205 6 46 102 51	į
	57 Victoria Square, Bolton, BLI ILA 0204 13363 Managori 15.4	High Lac Income (Accum High lac Extra in	de Strie	205.6 +0.102_51 46.01 -0.152_96 1219.6 -0.514_24 46.3.8 -1.204_24 227.8 -0.494_46 226.8 3 +0.705_07 205.3 +0.705_07 258.591+0.01	
	Fraministon Group (1200)H 3 London Wall Blots, EC2M 5NQ 4 Aper Sortin Corf. no. 5 (20.9 20.9 217.8+1.1 0.00 (Accurs Units) 5 (20.3 20.9 225.4-1 0.00 (Accurs Units) 427 3 750 225 4-1 0.00	Smaller Pref & C Gift Ten Fixed in Internal	Cos Div5\s 188.9 188.9\si sit5\s 54.87 \$4.87 st5\s 37.98 37.98\si serest5\s 51.19 \$1.19 ilenal	305.3 - 6.30 4.38 58.59 - 0.01 10.35 59.59 - 0.01 10.35 59.91 - 0.01 8.48 54.53 - 0.12 70, 00	
	Fathilisetine Group (1200)# 3 London Wall Bilds, E(2M SN0 Anser Swift Cox*	Global in Global T Internat Global F Best of ti	Repair 51 88.03 88.05 & & Gords _ 31 66.03 66.83 Refs 51 102.9 102.9 local 51 179.6 129.6st Resource; 51 71.44 71.44 Re World _ 51 53.46 53.46	110.0 +0.20 0.00 1 100.9 +0.10 1.06 S 176.39 +0.30 1.70 S	Į
	Suropean	Australis Europea Europaia Euro So Hong Ke	Funds 10	100.9 (40.10)1.08 (76.39 (40.10)1.70 (56.83 (40.11)2.01 (67.10)1.70 (76.80)1.37 (76.40 (40.10)1.26 (40.10)1.26 (76.40 (40.10)1.	1
	Income & Grandi5 180 8 184.2 194.9 • 0.64 444 (Vccan) Whith	Japan Ta Japan Sp Spirit of Pacific S Singapore North As	rust5% 223.0 223.0 a relai Sits5% 234.4 234.4 the East,, 5% 44.78 44.78 a raily Cos,, 5% 125.1 115.1 a raily East5% 48.38 48.38 raily 24.85% 48.38 138 138 138 138 138 138 138 138 138 1	237.3 -0.10 0.00 E 249.6 -0.30 0.00 E 17.77 -0.05 1.32 B 122.8 -0.10 0.85 P 150.1 -0.60 1.08 D	
	Mountly Income sam. 5 1 38 6 1/42 5al 150,71 - 0 24 4.66 PEP B7	Amer Re Execut Rightino Smaller	naller	0.14 -0.00 20.5 -0.701.05 8 02.5 -2.902.08 F	
	Genum Units		mericus5\(\) \$41.0 \$21.0 aller5\(\) \$41.13 \$11.3\(\) aller5\(\) \$4.13 \$11.3\(\) aller6\(\) \$10.0 \$	72.1 -0.500.00 10.87 -0.521.72 72.5 -0.620.64 229.0 -0.404.27	
	Friends Provident Unit Tracks (1000)F	28 West		20.8/13.56 A	
	Caule Street, Sallsbury, Wilts: Admired 7/22 4 11421 Deating 7/22 4 11411 Deating 7/22 4 1141 Deating 7/22 4 1142 Deating 7/2	HIII S		<u>1</u>	
	De Access - 15 64 01 64 39 68 50 07070.52 FP Nth Acces Dist. 5 13.30 131 42 139 39 46 11.5 De Access - 15 15 55 135 65 143 19 40 48 11.15 De Access Dist. 5212.02 215 62 228 19 628 01 De Access - 15 15 15 15 15 15 15 15 15 15 15 15 15	Dollar 9 Europea Far East Financia Gilt, & F	armael Onlt Tot Mgrs CL 1994 (124 124 124 124 124 124 124 124 124 124	35.0 -0.4 1.65 N 12.2 -0.9 0.00 k 48.1 -0.7 0.00 G 76.4 -0.2 0.00 k 92.6 -1.3 1.89 G 7.06 -1.3 1.89 G	
	De Accure	Incorne & Internati Jupan Te Nat. Reso Portfolio	1 Growth 6 114.0 1	10.9 -0.24.26 N 21.9 -0.13.55 1 62.1-0.30.66 H 2.93-621.000	
	4 Mehille Crescest, Edinburgh. 031 2203946 6 6 A	Social S UK Eme US Social	marter 9 0 99.57 49.57ml 0 4 0 54.67 95.43ml 0 24.67 95.43ml 0 247.2 247.2 2 Cos 6 137.7 137.7ml 515 6 137.7 137.7ml 19ing Co's 0 10ir Cos 9 0 29.32 29.89 3	47.2 -021.07 47.2 -021.07 47.2 -011.56 000 11.79 -0.170.00	
	8th Floor: 8 Decousière Sq. Landon EC284 47 J. 01-283 275 — Desilero Q1-620-9631 Canital Unid	Jupite 197 Kair America Income . Resources	r Unit Tst Mingra Ltd (0 phishridge, London SW7 1R8 o Cap	01-581-8015 12-4-0-20-90 181-0-124-47	
	The second of th	Key Fr 33 Fouri Equity &		5.23 14 15 20 0 0F E 061 236 5362 14 5.99 1-027 12 00 0	
	Intil Income 55. 52.60 52.60 54.33 4.16 L.16 W else Sorr. Sts. 54. 68.94 68.99 74.81 615.13.86 W else Sorr. Sts. 54. 68.94 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 68.99 74.81 615.13.86 74.99 74.81 68.99 74.81 615.13.86 74.99 74.81 615.13.86 74.99 74.81 68.99 74.81 68.99 74.81 68.99 74.81 68.99 74.81 68.99 74.81 68.99 74.81 68.99 74.81 68.99 74.81 69.99 74.81	Gila & Fi Digher in Internati Smaller (and Marnegers Ltnl (1200) als St. Marchester M2 2AF (see		
	Gartmore Hosse, 16-18 Monoment Street. London EC3R 8AJ 01-623 1212 Dearlings only 0277-264421 Investor Services, Francisco 0800-289 336	10 Feed	vert Barrington Ltd (3.16 burch Street London ECS 0635 528525 Adm rests owne 55 51 79 51 79 5	5.101-623 8000 in	
	UK Greeth Tringht British (Account) — 5 82.21 82.21 83.21 0.171.82 De 10191 — 5 68.77 65.77 75.79 0.141 02 Capital Growth — 5 20.13 28.13 30.17 0.632.38 Practical for Ord — 5 82.55 62.55 80.51 0.152.56 De (Account) — 5 187.52 157.02 168.70 10.125.65 UK Sel Oros — 5 105.00 165.00 113.46 10.10 10.94 UK Shaller Cos — 5 105.00 165.00 113.46 10.10 10.94 UK Shaller Cos — 5 105.00 165.00 113.46 10.10 10.94	Gilt Yiek Getum L Glotal la (Accum L High Yiel (Accum L	come54 159.6 160.1st 1 lotes54 295.6 296.4 3	703 1011 20 1	
	Entre learner Stan De 44 DOWAR SOLICESTE OF	Smile Co. Lacour L Capital G Amer Sm Lacour L Storth Am	leito 512 259.1 259.1 2 5 Div 512 49.28 51.12±5 srowth Treats for Cos 512 59.5 59.5 6 leito 512 59.5 6 leito 512 55.7 59.58 6 leito 512 55.7 59.58 6 leito 512 55.7 57.7 5 leito 512 55.7 57.7 5	20.4-025.75 May 10.00 May	
	Income	CACCION L European CACCION L European CACCION L Fund of L	Re Car S-1 S-1 S-1 S-1 S-1 S-1 Re Car S-1 S-1 S-1 S-1 S-1 Re Car S-1 Re Car S-1 Re Car S-1 Re Car	8 30 -0331.52 E4 0.02 +0.151.51 M 0.66 +0.161.51 M 3.52 -0.371.84 31 30.7 -0.51.86 E-	k
	Int I F of Im	General . General . General . Inti Reco (Accesto L	into 51 3736 5736 3 51 2248 2248 2 into 51 2248 2248 2 into 51 3550 3250 3 into 51 1318 1318 1 into 51 1427 1427 1	9.75 -0.00 2.40 GB -5.32 36 SB -6.32 -0.31 45 UI	K
	Wwite Recovery 5105.57 105.57 112 911-0310.14 Operators Treats 5105.57 112 911-0310.14 Operators Treats 517.61 83 13 14 03 31 1.02 Afterican Sel Opps 5 32.11 32.11 34.30 40.510.00 Asstralitar 514.30 14.30 15.25 40 50 513.34 Exception 514.30 14.30 15.25 40 50 513.34 Exception 514.50 17.07 17 75 24.25 00 50 1.00 10 10 10 10 10 10 10 10 10 10 10 10 1	CACCOM U Japanese CACCOM U Master A Pacific	inital	11.8 -2.3 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	-
	Hedged American	Smaller ((Accum U UK Equity (Accum U	Cor	23 46 1	
-	International Indice. 33, 100 Lb 180, 93 105, 741-01512.01. VIK Indice	93 George European Extra loo Far East, Income &	olt Tst Mingrs Ltd (1900 - S. Echteurg EH2 31L - S. Echteurg EH2 31L - S. 1844.07 45.00	031-225 4908 (A 7.981-000) - Bit 5.19-0.058.25 (A 1.54-0.05) - IR 8.771-001 5.08 (A	
	Cartinas 9 0 102 2 102 6 102 6 (40 2 8 10 10 10 10 10 10 10 10 10 10 10 10 10	1 & C	Unit Tet Mount Ltd (84	HOSTE CA	
	Pacific Groends 51 77 36 77 36 72 481 0 440 36 Indisc Plants in India	Plerty Ho ipcome inti & Ger	NSE, Copthull Are, EC29 785 	01-588-2800 HA	
-	Geny farm Stannord 6 . 5 25 25 26 25 27 27 11 - 0 17 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	16 Section of the Company of the Com	agham Gate, London SWI rast	01-814-6626 (M) 9-41-03-4-45 (M) 82-9-9-5-87 (M) 47-4-02-1-29 (M) 441-4-1-1-29 (M) 1-41-4-1-1-20 (M) 1-71-6-1-4-0-25 (M)	
-	## 1			00)F 01-589 2721 01-589 2721 55-1-10-50 61-0-5-14	4 5
	14 040 Park Lane, London WIY 3LH 01-491 1357 Private Portfolio 2 294 8 294 8 307 6 2.08 Inc Opportunities 2 132.8 132.0 140 7 142	Income Small Cor European Nth Amer Japan &	Geth 9 0 54.40 54.40 52 Gwth 9 0 52.22 52.22 82	75.8 -1.0 4.50 1.1 -0.5 5.14 10.3 +0.1 2.25 1.19 -0.4 1.36 1.06 -0.1 2.04 2.89 +0.4 0.00	
1	Globel Asset Management (1200)F AAN Shring Management Lid 125 James Plac, Loedon SW1 20 12-973-990 ASS 12 to 11 to 11 to 11 to 11 to 12 to 143.89 — 0.57 ANN I. E. and Jac 550.8 25 25 25 350.21 — 9.07 ANN I. E. and Acc 550.8 25 25 25 350.21 — 9.07	Legal & Admir 5 Esculvies Equity OL Equity Ac	R Geograf (U.T. Afgrs) L. Rayleigh Road, Hutton, Brents 0277 227300 23	hi (1208)H wood Esex g 0277 261616 P-11-0.7 3.00 U.6-1.1 3.00	
00000	Form Unit Speciate \$1,36 UN 157,78 140 71214 AMU UK Speciate \$2,126 UN 157,78 140 71214 AMU UK Speciate \$2,125 UN 110 70 124 15214 AMU UK Speciate \$1,125 UN 110 70 124 15214 AMU UK Speciate \$1,125 UN 110 70 124 15214 AMU UK Speciate \$1,125 UN 110 70 124 15214 AMU UK Speciate Inc. \$1,127 UN 110 70 124 15214 AMU UK Speciate \$1,127 UN 110 70 124 15215 UN 124 15215 UN 124 UN 1	European Far Easte Fixed less Global Grant Let I Ross	0 53.58 84.64 97 97 97 97 97 97 97 97 97 97 97 97 97	131 -0130.27 131 -0130.27 131 -0130.27 145 -0100.25 149 -0167.95 131 -0130.24	
00000	GAM Sherlop Blassapement Ltd 12.53. James Pilazo. Landon SW1 GAM LE Sai Pilazo. SSI SW2 GS SW2 GS SW2 GS SW2 GAM LE Sai Pilazo. SSI SW2 GS SW2 GS SW2 GS SW2 GAM LE Sai Pilazo. SW2 GS SW2 GS SW2 GS SW2 GAM LE Sai Pilazo. SW2 GS SW2 GS SW2 GS SW2 GAM LE Sai Pilazo. SW2 GS SW2 GS SW2 GAM LE Sai Pilazo. SW2 GS SW2 GAM Hayla Internation Int. S SILV Z 119 J 17 J 12.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 12.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 119 J 17 J 10.78 GAM Hayla Internation Int. S SILV Z 21 J 17 J 12 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter L 2 J 17 J 3 J 17 J 10.78 GAM Hayla Int. Marketter	Japanese Kataral R North Am Oversas I UK Recon UK Specia	B. Gensral (U.T. Bigger) L. Rayleick Road Hutter, Brand Dealle (U.T. Bigger) L. Rayleick Road Hutter, Brand Collection (U.T. Bigger) L. Rayleick Road (U.T. Barrell, Brand Collection (U.T. Ba	49 0130m 28 03 19 35 05 041 05 01 052 05 02245	
į	AM Pa Da UK Aca 2 121.91 221 91 229 79 - 27 47			1	

ORMATION S	ERVICE	● Cu	rrent Un Unit Tr
	1.00 cm and	Otler+ er Yleid	<u> </u>
Liet Care. 3td Offer ter Yield Comp Price	Midland Unit Trusts Ltd -Con	60.02 0.05 0.00 56.12 0.05 0.00 56.17 0.05 10.05 55.17 0.05 10.05	Provides 25-31 Moo PM Equity PM income
Bot Box 33, Chathani, Kest MES 478 Ballanted 5524 97 214 07 224 07 234 0333 Ballanted 5520 17 497 244 07 224 07 124 07 234 07	North American 6 52.57 53.68 Minimum PSAVCS Out Tour 5 53.65 State Critics 7 53.65 State	57-25 -9,65 2,53	PM Rth An PM Europe PM Japan (PM Overse)
Un (Accust) 6 73.74 73.74 76.45 40.05 2.76 27.17 10.000 5 21.10 21.16 22.11 4.95 4.82 10.000 5 21.16 21.16 22.11 4.11 82.00 5 21.16 21.16 22.17 4.48 4.41 4.11 8.2 6 21.16 21.	Serial State 10 molecular 10 mol	57.75 405 250 55.77 40 00 643 52.77 40 00 643 57.06 405 154 62.12 40.77 0.00 57.41 40.91 10.85 57.36 40.91 10.85 57.36 40.91 10.85	Prodenti 51-69 lifor
inches 5076.95 376 584402 34 4 4 444 12 20 0 (Accum) 5077.95 376 584402 34 4 4 444 12 20 0 (Accum) 5077 677 277 277 27800.07 - 2.164 12 arti 7echnology 5 200 18 209, 18 225 59.3 30 30 58 0 10 200 12	Bildund Executive Pentium Dail Treet British 6 54.04 54.55 European Growth 6 51.47 51.75 5 It & Fixed Do 6 49.20 49.23	9307 -0012.94 54.05 -0.310.39 24.39 -0.310.39	Helbert Co Helbert En Helbert En Helbert En Helbert Int Helbert Int Helbert Int
Do (Accoms) 6127.36 127.384129 15 - 4.64 0.01 Master Trust 5 46.42 46.42 49.37 - 0.021.19 Do (Accoms) 5 47.28 47.28 50.29 4.02 1.19 H Americas & Ger. 6 121.27 123.27 131.13 49.521.52	Sitt & Fixed Do		Walkers To
Senter Trust	11. Despeshire Square, Loudon, EC2M Carl free: Poblic Deadlog; 080	S Ltd (1.000)R NR 01-6263434 0010333	Helbern Pres Holbern Str Holbern Str Helbern UK (Regency
Small Cox 6 Rec; 5304.33 304 534332.96	Intermediary Dealing : 0800 UK Specialist Trusts Growth Six	010733 65.EL 400 4.45 34.51 4251 48 30.49 4140.47	Regency 35 Footski British Inco British Goo Reilance
De (Accum)	UK Specialist Trumb. Growth St 11:	32.37 - 1000.46 63.62 - 130 2.71 65 18 - 140 2.12 429 2 - 140 1.96 73.03 440 1.90 56.21 - 120 2.56	Reflace Ho Gritish Life Reliance Cor Reliance (Ac Ruck Acc
Visitate Park, Enter DS 5105 0372 222673 American 55.52 59.52 59.02 59.02 1.5 Icoma 55.52 59.52 59.02 59.02 1.5 Icoma 55.54 59.62 59.02 59.02 1.5 Icoma 55.54 59.62 59.02 1.5 Icoma 55.54 59.02 59.02 1.5 Icoma 55.54 59.02 59.0	Figh Income Panels	49.751-42842.49	Part View I Newcastle a Exempt Ma N.M. Ruf
M & G Securities (y) (0915)H	Preference Source	27.37 +848.81 33.36 -679.3.97 21.34 +407.5.51 284.8 -1985.92	
m of 5 Securities (7) (V71-57): Three Cupy, Timer Hill, EC3R 636. Cast. Servicus 03-646 4588 (Jah Dealine 0245 286-626 Amer & General 5274-52 223 6 249.1 40.311.26 Laccam United 5582.00 227.0 286.2 40.31.26 Laccam United 5582.00 287.0 286.2 40.31.26 Laccam United 5782.72 273.14 270.5 4-11.01.85 Laccam United 5782.72 273.14 270.5 4-11.01.85 Laccam United 5782.72 273.14 270.5 4-11.01.85 Laccam United 5782.72 273.14 270.5 4-11.01.00 Laccam United 5782.72 273.14 270.7 4-11.01.00 Laccam United 5782.72 273.14 274.7 4-11.11.01 Laccam United 5782.74 274.8 274.7 4-11.11.11 Laccam United 5782.74 274.8 274.8 274.1 11.11.11 Laccam United 5782.74 274.8 274.8 274.1 11.11.11	Connectity Shares 51, 144.8 144.	151.0 -1.41 44.51 -118-2.29 45.05 -118-0.56 47.97 -128-0.55 20.93 -128-1.0 20.93 -128-1.47 45.37 -118 -	SE Settinio : IC America IC America IC UX Equit IG Japan IG Major IV IC Scritt An IC Scritt An IC Scritt On IC Scritt UI IC Scritt UI IC Scritt IV
Charlibond	Accust Units 51, 45.89 43.89 (cd Leisur 51, 19.70 19.70 19.70 Property Stares 54, 19.37 79.37 Universal Energy 54, 45.2 44.52 Warld Zechning 55, 54, 45.29 42.89 42.89 42.89 42.89 42.89 42.89		NC Smaller RAM Pussen UK Major C UX Scatte C UK Jogene . Acrosica
Charifund 257.25 506.8d 572.5 -20.5.79 (Accorn Units) 176.5 1763.2 -6.45.79 (Accorn Units) 524.21 247.3 26.1-6.03 1.71 (Accorn Units) 5236.78 136.8 356.2 -0.5 1.71	American Gewith 34, 38.70 33.70 45 cm services Gewith 34, 38.70 45 cm services George	35. 4261.42 77. 446 451.1 4262.91	Actories
Divided	Amazaline Grando5% 42.71 42.71 Drayton Japan5% 62.94 62.94 Europe Perf5% 62.22 82.21 Uccam United5% 83.12 83.22 Euro Sacalier Cos5% 83.12 83.22 Euro Sacalier Cos5% 83.10 83.15.46 Par East5% 87.01 88.43 Franch Grounts5% 43.63 43.63	F-1140 -	GUIT
Conversion Grawton - 2004.85 - 2004.8 - 2004.1 - 15.1 2-0.0 1 10.1 2-0	The East 54, 87.00 St. 61, 70 St.	71 400 03 400 03 400 03 400 132 400 132 400 132	Reposit
	Secure Hales 41, 170 0 170 0	22.77 418 - 44.77 418 - 44.80 418 - 116.2 4880.63	Daropena Capadian Australasias Cali
Fund of her Tists	Service Impare Events		Managel
Citik Income 36.5 56.6m 59.4 79.4 79.6 14.6 15.6 11.0 9.3 14.6 15.6 11.0 9.3 14.6 15.6 11.0 9.3 14.6 15.6 11.0 9.3 14.6 15.6 11.0 9.3 15.6 11.0 9.3 15.6 11.0 9.3 15.6 11.0 9.3 15.6 11.0 9.3 15.6 11.0 9.3 15.6 11.0 9.3 15.6 15.6 15.6 15.6 15.6 15.6 15.6 15.6	Reistar Cit & Fl2167.88 67.884	71.26 40013 43 48.74 419 6.1 57.11 497 1.7 67.63 410 3.12 69.62 420 8.42	PO Bor 34, General Emp Worldwide I United State Pacific Basi
Accom Units) 576.44 76.5 81.8 4.74 Japan & General 51364 1157.701.227.2 -1.3 0.00 Geom Units) 512412 1242.3 1316.8 -1.4 0.00	European Dea 54 82 14 82 14 European Acc 54 82 03 82 03 European 34 118 4 228 Acc	87.04 -119 0.77 86.00 -119 0.76 125.0 4 10 0.77	Equity Greet Equity Greet Equity Greet High to: Acc High to: Dis
Caccam Units	Minster Fund Massagers Ltd C Minster Home, Arthur St., ECAR 988 Minster L. 1 150.4 152.0 Exempt Apr 3+ 14:1356.6 361.24	公 公 公 公 二 5 7	NO CONTRACTOR
Percent 5 1,742 628.4 664.5 3.0100 (Archine 148.4 664.5 3.0100 (Archine 148.4 664.5 3.0100 (Archine 148.4 664.5 3.0100 (Archine 148.4 644.5 3.0100 (Morgan Grenfell Useft Tet Migra 46 New Broad Street, London EE2M Desires: 01-626-0626 American Gwith	18T 18T 185 01-826 0123 136.9 (40.7 0.81 181.2 (-0.3 0.26	OK Emergica OK Index Textor European
CACCING CORES			Reyal Lee Royal Lee H: American Gro- European Gro
MCM Unit Managers Ltd(2) (1908)H MCM Hoos, Heese Rd, Worthing Dealing: 0277 851010. Em; 01-623 8211 High Income5 [292.5 298.7±317.0]	15 Ex last Fraction Acc	115.7 -0.53.07 115.7 -0.53.07 126.3 +0.41.52 126.3 +0.41.52 100.0 -0.50	CAH Income High Income Second & Gra Lett Income . Japan Growt
(Accem Galts)	Manageo Acc 5 4 196.06 97.61	10031-0.4252	Special Sits. UK Growth Royal Tra
All & Half Took Manager 27 20001	Security Marchey Units Sugar S.V. 4 Temple Place, Lindon WC2R Sup Beauty Host TR	110.6 +0.2 2.7 192.8 -0.2 5.1 442.9 -0.6 1.3 35.7 +1.4 1.9	3, Finshery S Capital April Capital Grow (Accuse Units
	Matrray Johnstone UT Rigert (7 West file St. Clasgow G2 2PX Accurage 5159.12 59.30at	13.21-L11 0.3 1600)H 0345090 933 53.301-0091 62	Egotty Incom (Account Units Fix & Proper High Violet Co
	Mairray Jahmsthie UT Mgmt 1 7 West Nile St, Clasope C2 2PX Acanea	52.68 -6.50 120.3 +0.60 4.17 88.26 -0.08 5.25 52.91 -0.24 1.02	(Accent Unit Income April International (Accom Unite Nombonto M
Select First54 25.30 25.80 27.50 0.01 (c.63 Maaldon Unit Frest Managers 4.1d (1.200)F 18 Earl Street, London EC2A 2AL01-6305757 Maidon General5141.0, 110.0 112.01 (2)44.54	Far Easterd	77.87 -015 1.57 50.57 -094 0.93 41.62 -005 44	Northgata M Preference to Do Accum (c) Flored & Dom (Accum Units
Manual Mr. Comm. Htt C CT SAMP	35 Fourtain St. Manchester #2 2AF Ason Equity	061-236,5685	Pacific Basiq Dob'% With Small Compar (Accum Units
maintail.res derbus PLL (1990/1995) Si Georgé: Wag, Sterruige Dealbre; D48 740101. Gêt & Frai Int	NM Schroder Unit Tat Mingrs. The Bilton Centre, North Harbour, Por Empires: 0705-372222 Deall American V	CL200)H tsmouth ng: 0705 387730 29.01 (40.0611,41	Wwide Alpta Wwide Alpta Prestign Port Europe (2) , Hong Kong (s Japan 00
UK Smaller Cot. 54 169-8 178.0 389.24-9 91.46 North American 54, 172-69 72.44 77.19 94 86 1.0 For East 55, 129.7 128.7 128.8 -0.5 0.00 European 54 182.7 128.7 128.8 -0.5 0.00 European 55 182.7 128.8 -0.5 0.00 European 55 182.8 182.8 51.25 12.3 0.5 0.5 0.00	The Bilton Centre, North Harbore, Por Empiries: 0705 377222 — Deal American V	30 51 40 07 12 41 168 1 42 20 168 185 6 42 30 12 68 31 90 - 404 11 98 52 87 - 404 11 93	Japan 00 UK (2) US (2) Canada (2) Commoditle
Marks & Spencer Hult Treat (Ltd (1200)F P0 8xx 410, Chester X, CH99 90C 12244 680066 M & Sinv Pfolio53 104.6 105.0 112.2 -0.102.67 Do Acus51 105.7 106.0 113.3 -0.1012.67	Emopoles	136,9-0.301.00 136,9-0.301.00 79.04-0.026.43	Gold (2) Spore & Male Global Bond Deposit
Secretar Productions Visually Land Connected 12 1	Gold 9	7,90 +0 12 0 21	SIM Unit Bilton Centre Apperican 9 (Accum Units
48 Metrille St, Edisburgh EH3 7HF (Diarch31-220-924). For East (Pacificity 3 183 6 104, 9 111.3 402/0.23 more	(Arrown Holler) 4 54 127 4 122 9	226 mm 5.29 31.0 -5.29 38.77 mm 0.66	Apptralium V Occure Upits European ₁₉₈₄
Stations (but Tout Stangers Ld / 2001)	Jap Smaller On Ψ _ 54 202.9 205.9 205.9 205.0 30 μ Rizagatine _ 54 90.57 90.38 (Accure Wetts) Ψ _ 54 100.6 102.4 Smaller Or's man 54 36.51, 36.51 Accurate Metts _ 54 39.47 39.47 Social Sits _ 54 31.60 31.604 31.604 31.604	28.77 +0.03 0.66 10.30 +0.03 0.66 21.96 +0.10 0.00 105.5 +0.30 0.00 107.5 +0.20 0.08 17.25 +0.01 1.66 12.44 -1.06	Account Units (Account Units) Japan Sm Cos Ac O'seas Smiltr Punc & Chart
Materiano Useri I Timas, mantegera LUS LECOVITI Adonit: S Rayleigh Mi, liutton, Betatronod, Estex Engalrics 0277 227200 IVK Growth (4-4) 6 ft.041 6.1.47 at 6.574 ft.0072.99 IVK High Income 61 39:29 39 9284 42.71 48.915.27 I White Hart VI, London Gerley, SCI, 18X, 01-4079466 hall Recovery Acc F 51 42.56 42.56 at 47.65-6.1 [L.5]. Bull Recovery Inc. F 51 30.24 30.56-49.345-40.011.32	(Account United 54, 33.75 33.75 174.70 Printers 154, 78.26 79.12 174.70	36.29 +0.02 1.24 36.39 +0.02 1.24	Smaller Co's
Mayfinger Management Co 1 td (1600)H	(Accord United 51, 230.2 232.5 US Souther Co. 4 54, 51.89 51.89 National Provident Inv Mgrs 1		Tokyo V
No. 1 London Bridge, London, SE1 900 01, 378,7000 Income Apr 24 35,05 384,4 345,07 4,411 6,000 Feb. 271,1 3,286 Income Apr 24 3,387, 255,0 271,1 3,286 Incompanied Apr 24 3,387, 255,0 4,45,0 3,287 4,68 (lightal fire Apr 24 3,584 46,40 49,55 4,68	48 Gracechurch St., EC3P 3919 RPI American Accy		Extentet (2º000) Exempt, UK (60) Exempt, Man (80)
Medical Investments £1d (1100)F 1 White Hart Yard, London SE1 1807 01-407 5966 Health Fund 54 144.46 44.46m 48.161-0.211.28	KP) Far East Act 95 120.1 122.2 1 XP) Far East Dist 95 119.8 121.8 1 MP) 0'seat Act5 809.7 825.9 1 NP) 0'seat Olst5 645.0 657.9 1	30.0 -0.40 0.16 29.6 -0.40 0.2	Save & Pr 28 Western Capital Hsq : (Romford)
Mercary Fand Managers Ltd (1.000)H 33 long William St. ECAR 945 Americae Growth	NP1 UK Acr 5462 3 473 5 NP1 UK Dist 5 267 2 273 7 m2 NP1 W wide Acr 566 68 70.29 NP1 W wide Dist 566 37 67 93 m2	12 1301.26	: (Romford) Imprioc & Go Assur Smiltro Capitad Exstern (Miscon Energy Mais :: Energy Mais ::
(Accord Units)	Nurwich Union Tst Managers (PO Box 124, 51/59 Rose Lace, Noretch UK Egelty		Euro line & Gr Exempt Incom
Arrer Sm. Cod Exampl	biernational	97.54 -0.20 0.82 -1.76 -0.16 0.00 -5.18 +0.02 3.30	Cold & Explorati Firemedial Sec Dit & Pad tat. Commodity
Geome United	Rin American 6101.35 102.25niu PK English Trust (Imr Man) Li 4, Fore Street, Leedon, ECZY 5EH American	4 (1000)F	High Pictory High Yield acti Bond TV
General 5 351.3 354.6 378.3 - L16 2.07 Accum Velts 5 607.7 613.5 654.4 - 201 2.07 Cit. 5 83.58 83.58 80.04 + 0.107.76 Accum Velts 5 813.2 118.2 118.2 110.7.76	Far Extern	146 410 01	lapan Smalle Kasterfund , Hew Technolo Jenthile
Nigh lecome	Pearl Unit Traits Ltd (1000)H	3	eotskerni entylejds efect letti etalier Cop le
Accom lines	Growth5 115.8 116.041 Uccsen Units)5 181.3 185.0 1	94.6 -0.72.01 94.6 -0.72.01 95.0 -0.52.67	pactal Situation IK Equity IK Smitr Care
Accom Units 521.4 211.4 225.4 0.700.00 Pacific	Pembroke Administration Ltd	822-051A6 9	inir Growth Savings Co entral Court
Accorery (-ids) 5 295 3 302 54 722 7 42 16 16 16 16 16 16 16 16 16 16 16 16 16	18-19 Sandland St. London WC1R 4P2. Pembroke Acoles 5179.18 20.13 2 Pespatual Unit Tst Mogent (12 48 Hart Street, Herley on Thomes International Geth 54 EUA 06 316.06 33	493142110.00 90)F D471.575868	BBF/D
Merika Japiter Unit Tst Ngurt Ltd (9905)F 197 Knighthridge, Loedon SW7 1R5 01-581 3020 Merika Inti	reterrational Germ - 34 pt 6 315, US 335, US 33 fc2 fectoring - 529, 37 294, 334, US 33 fc2 W wide Receiving - 54, 184, 86 186, 33 fc2 femigram Green - 54, 184, 14 84, 14 84, 14 84		w East & Pa forth America dean IK Bloc Cirip
Metropolitan Unit Trust Mages Ltd (1000)F B Durkes Line, Potters Ber EN6 1AJ. 0707 45184 Berggrowth Plus	Far Eng. Grath	12 130 00 2 12 13 13 13 13 13 13 13 13 13 13 13 13 13	Schmitar U 2. Gilliter Sty John Guen A 30 Jesome Scropen Acc.
To recome 5 1.86 52.58 55.72 9.0613.59 58.44 59.42 63.21 -0.040.00 UK Growth Acc51, 56.36 56.36 57.96 42811.67	Phillips & Brew Unit Hanager 14 Flosbury Square, London EC2A JPD Charles Fariet	s Ltd	to income IK Eqty lac A to become IX Cap Gords
	UK Exempt 101.6 101.9 101.6 101.9 101.6 101.9 101.6 101.9 101.6 101.9 101.6 101.9 101.6 10	290H	namped Exer icottish As 50 St Vincen
DOUGH 18	ZZZ Biskopsyste, London EC2 American income 5 IEE, 94 60.26 6 Conv & Glic 5 IZS 5 125.3 1 Earn Senth & Inc 5 47.07 17 125.7 125	01-2477-4477 53-10-25-600 53-10-25-600 53-10-25-600 53-10-25-600	
Accom Units) 6 144.0 144.0 153.5 0.9 0.39	Filigh Income;	25-06-072 25-06-072	Estist E S Andreas of Income of Accum
Ngh Yield	Special Sits	CEROPH 5	K General Ac K General Inc merican separa Spara \$
ACCOUNT UTILISS	30 Oxbridge Road, Leaden W12 8PG Workneide Inc		thical
dood Pfelie Acc	European Acc	590-03053 # 24-022092 W 158-022092 W	ge lac Perl Ac Pelde Tack Per certitials Li
Intellier Con	30 High line Eg lac 5 71.03 77.03 72.00 10 High line Eg lac 5 72.03 77.03 77.04 80 High line Eg lac 5 55.05 78.00 78.40 80 Hong Kong Ice 5 55.05 58.05 78.09 80 Hong Kong Ice 5 55.05 79 56.47 66 80 70 70 80 70 70 80 7	131 +011 - 257 - 161 172 +105 199 - 26 172 +105 199 - 26	9 St. Andrew S elect (UIC) electors (US) large Pole (Pac la Vinci (Ear)
Arritan Growth 61 115.9 116.5 124.64-0.11.51 Hilliand Province Health Turk Hilliand Province Health 124.74 Hilliand Province 615.11 54.74 Hilliand Hilliand 615.11 54.74 Hilliand Hilliand 615.11 Hilliand Hilliand	Peris Gooftlas hac 5 32,12 32 12 45 Periss Ensities Acc 9 32,46 32 40 62 Worlds Sood hac 9 32,46 32 40 62 Worlds Sood hac 9 32,69 32,69 Worlds Sood Acc 974 56,74 56		n Vinci (Ear) rate (Wed cottish M 09 St Vinces K Egifty
GUIDE TO UNIT T	RUST DDICTME		K Spot- Cas Eq K Spot-SRs Cooke Plas Grepons Ar East-
These represent the exampling, administrative and other columns are included in the price when the contemps by GFFER PRICE	ensk; which have to be paid by non gurch is units. PRICE	Theory	penese † briti America ti Growth teldwide Wast
The price at which units may be bought. The CARCELLATOR PRICE. The statistical special between the offer and bid prices is as to practice, and trust minages special or migh sharpers the ministrum pershability price which is called the cancell be moved to the cancellation price in circumptances in a beginning.			cuttish Pr SLAndrew Sq quity Growth quity Growth Apr 41 Growth Apr
The Line shows alonguide the fund manager's warm is the	which there is a large excess of sellery of time at which the unit trasts' daily deaths whol allongside the juginished most trast	entits over 0	el Growth lec lobiil lecome lobii lecome larbii Lecies larbii Lecies
principle of an following of DOOL to 1500 hours; 6 - 1100 hour		- 1701 ro .	
be the current dealing levels because of an intervening po- back. Filterwates reference: The letter F devotes that prices are set on a formand back adjusted of the purchase or safe being carried out. The pr which deals were carried out pasterning. Other exclusatory notes controlled in lact consum of the	roccine resolvation or a switch to a form is so that knosters can be given up defin rices appearing in the second	and pricing P	CALCUSATION O BOX 902, E O BOX 902, E O BOX 902, E O BOX 902, E O High fac A O High Amar O Hi
which were carried out yesterday.	ST Unit Trees Information and	1.6	CI NO ACCU

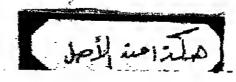


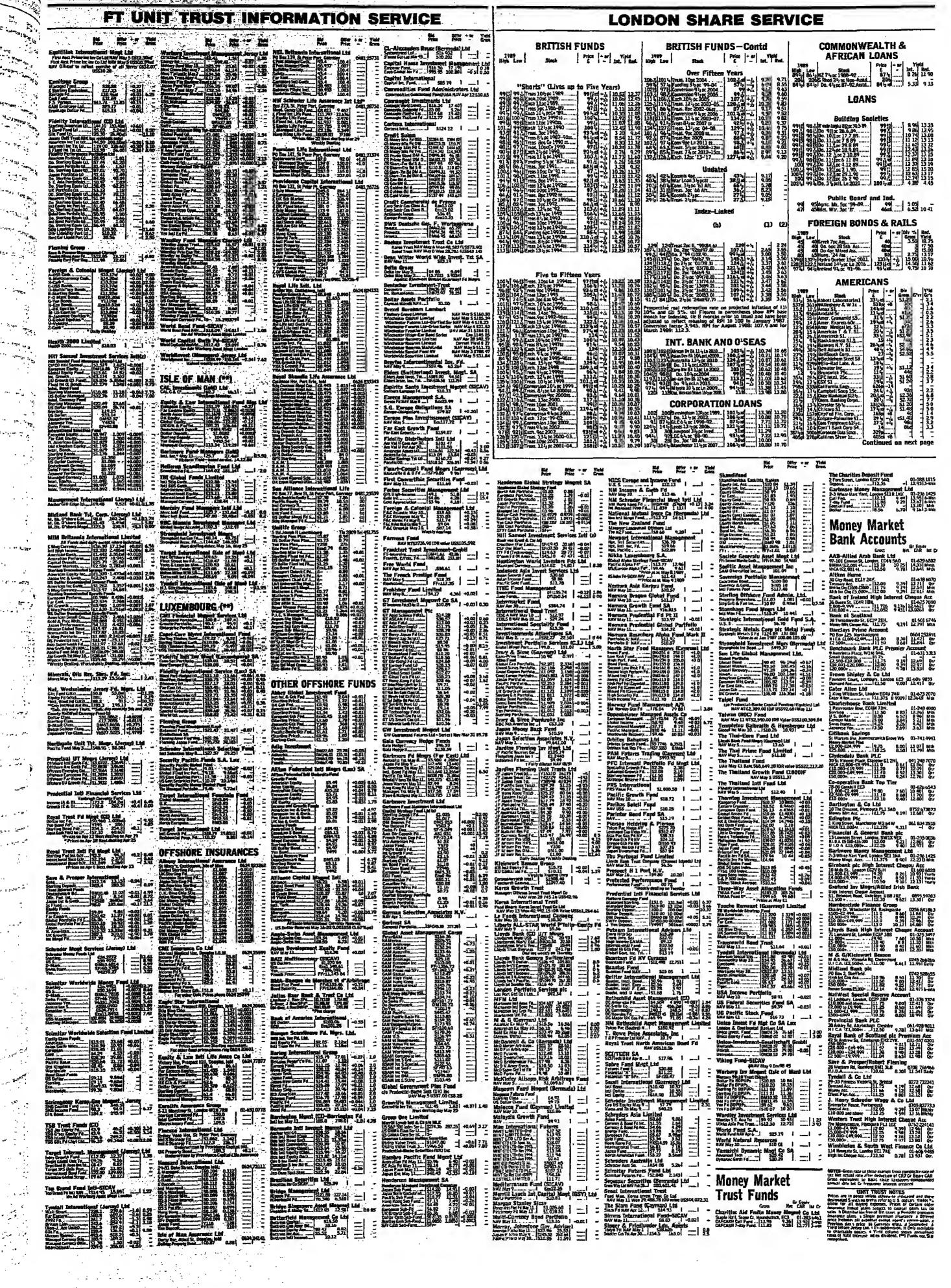


FINANCIAL TIMES FRIDAY WAY 12 1989 FT UNIT TRUST INFORMATION SERVICE Current Unit Trust Prices are available on FT Cityline. To obtain the FT Cityline help desk on the FT Cityline help des	39 n your free
Datt Care. Note: British State - British State	iffer + ar Yield Vice Greek
S. Growth Acc	
Wright Sellgram Find Mages Lis (1960)9 Part June 1967 2531-9 401 Cross Sellgram Find Mages Lis (1960)9 Part June 1967 2531-9 4	
Court Westport Court C	
2 Fore Street, Lindon 277 Mg	
Contract	773
Con Executed Miny 7 125425 127 441 483 73 544 483 73 545 127 441 483 73 545 127 441 483 73 545 127 441 483 73 545 127 441 483 73 545 127 483 74 545 127 483	M -
Employee 10 10 10 10 10 10 10	44 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4
Residence Column	
Mortinendoral and 12 124 257	70.22
Prince P	#CAM May 11
Final Internet, Mary 9 (1992.6) 401.81 9 (1992.6	+0.7
Proof in the Way 10. 40.7 31.7 40.1 20.1 40.1 20.1 40.1 20.1 40.1 20.1 40.1 20.1 40.1 20.1 40.1 20.1 40.1	ad -0.5 = ent Corp PLC 0296 995539
Phillips & Drew Fund Managastics Life 173 423 173 425 425	51 4841 -
POPM Connectible	
The Statement Found 1904 11014	
Athley Life Astisrantic Co. 1.11 80 Holdstrate Co. 2.11 80 Holdstrate Co. 2.	01-623-6200 -07 - +0.7 - -0.1 - -0.1 - +0.3 - +0.3 -
Control Section Sect	-0.2 ~ -1.1 ~ +0.4 ~ +0.2 ~ +0.1 ~ +0.1 ~
Property 607.7 633.0 0.1 UR Founds 199.6 204.2 13.4 UF UR Control Fig. 199.6 204.2 13.5 UF UR Control Fig. 199.6 204.2 13.6 UF UR Control Fig. 199.6 204.2 UF UR Control Fig. 199.6 204.2 13.6 UF UR Control Fig. 199.6 UF UR Control Fig.	re 1
Figure 12.0 1.0	10111111111111111111111111111111111111
2.12 Postportflie/Tal Control 19(10) 2.12 Postportflie/Tal Control 19(10) 2.12 Postportflie/Tal Control 19(10) 2.13 Postportflie/Tal Control 19(10) 2.14 Postportflie/Tal Control 19(10) 2.15 Postpo	101 101 101 101 101 101 101
Visite 1375 14.6 -0.01	\$0.1 = +0.2 = +0.2 = -
Property 191.6 1	-0.15 -0.23 -0.23 -0.54 -0.02 -0.05 -0.05
Property	-0.7 -1.5 +0.6 +0.4
Size 19.53 - 20.53 - 20.54 - 20.54 - 20.55 - 2	-5.8 - -1.0 - -0.4 - -0.4 -
Company Comp	1911
Straight	0272 244941
Gef Money Fil Access 222.6 206.7 0.1 - Transport Section 222.6 206	4000
UK Michael 1063 1134 1064 1134 1134 1065 1134	TO: 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Second Column 1973 1974 1975	1 151-928-6655
### 19-13 19-14 19-15 19	next page

40	_	FINANCIAL TIMES FRIDAY MAY 12 1989
Bid Offer * or Yield Price Price - Griss	Bid Gifer + or Yield Price Price Gress	FIUNI INUS INFUNITATION SERVICE Unit ITUST CORE BLUTTET IN THE STATE OF THE PIECE BASE STATE BASE ST
Premium Life Assurance Co Lid 37-39, Persymptont Road Alemanck Heath 0444 436721 Hottom American 100 125 0 Hottom 12	### Pensions Limited ### Barn, Lowdon ECIN 27H #### Barn, Lowdon ECIN 27H ##### Barn, Lowdon ECIN 27H ####################################	## Life Assurance Co Life Contid. Price P
Managert 223 0 23 0 23 0 24 0 24 0 24 0 25 0 25 0 25 0 25 0 25	y life, Lunnet Sq. Loedon E14 9xx. y life, Lunnet Sq. Loedon E14 9xx. or Petro Fd. 3100 1 20 9 0.5 or Petro Fd. 3100 1 20 9	10 122 1 122 1 122 1 122 1 1
Beinding Soc Acc. 279 9 252 b Property Pens. Acc. 289 8 305 1 Fig. Inc. Pens Acc. 399 3 420 1 Fig. Inc. Pens Acc. 399 3 420 1 Fig. Inc. Pens Acc. 399 3 420 1 Fig. Inc. Pens Acc. 473 772 4 0 8 Fig. Inc. Pens Acc. 475 772 4 Fig. Inc. Pens Acc. 162 7 771 3 -0.5 Fig. Inc. Pens Acc. 162 7 771 3 -0.5 Fig. Inc. Pens Acc. 162 7 771 3 -0.5 Fig. Inc. Pens Acc. 162 7 771 3 -0.5 Fig. Inc. Pens Acc. 177 0 8 6 458 b -2.3 Fig. Inc. Pens Acc. 483 7 6 90 2 Fig. Inc. Pens Acc. 490 2 Fig. Inc. Pens Acc.	Per	178 5 -0.3
Pref & Fusch Pers	194	150.3 152.7 162.1 163.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 177.2 164.1 164.
Actory Mar. Fund Abbry Mar. Fu	Cap Pen. Pil. 100.7 115.5 1 100.0 1 10	1816 1965 107 200.8 107 200.8 107 200.8 107 200.8 107 200.8 107 200.8 107 200.8 107 200.8 107 207
Proc. Peru Cap USS	as Growth. 82.0 89.4 40.5 Property Fand	Complete
Pacific Acc	199.1 207 b -1.1 207 c -1.2 E think Acc. 201.7 307.1 -2.2 E think Acc. 201.7 307.1 -2.2 E think Acc. 201.6 307.1 -2.2 40.1 4	Substitution 13.4 13.5
Carpical Intelligence Carp	107 107	137.1 137.7 -0.7
Horth American Acc 123, 9 130, 7 -0.1 General Pacific Acc 189, 0 11 Grill & F. Pacific Acc 189, 0 -1.2 Grill & F. Pacific Acc 189, 0 15,	105.6 111.2 -0.3	13.4 13.4
Conty Find	Contine Rion . 164.4	134 142
Pacific Control of the Int. 116.4 122.5 40.1 40.1 4	Name	17.2 70.4 40.5 Pear, Facility Rec. 231 2 225.5 -0.5 Pear, Facility Rec. 240 7.7 -0.5 Pear, Internal Rec. 240 7.7 -0.5 Pear, In
Holbore Bars, London ECH 28H 01-405 9222 Managed Managed May 10 227 4 247.3 3 28 West 13 00 66 Sarijeston St, London WIX ILB 13 00 66 Sarijeston St, London WIX ILB 14 14 15 15 15 15 15 15 15 15 15 15 15 15 15	15	1.00 1.00
	sh Armicabin Vincen St, Glasgow Control of Colorador Control of Colorador St. Colorador Colorado	1005 1009 100 100 100 100 100 100 100 100 10

علدامة الأصل





ملدامة الأصل

PODAY WAY DE

4.75

	LONDON SHARE SERVICE	 Latest Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline halp desk on 01-925-2128
23 1.7 1.7	20 1996/rit. Mohair	2.243 (1573-69) Petrole inn SA. V 5195 BF/300 2.7 2.9 12.6 75 36 (600 en Berton 1890.50 175 010ct 2.9 2.9 12.6 13.5 195 (150 en 195 en
10 78A & M Group 10a 78 104 17.2 1399 2 125.7 1399 2 125.7 1399 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 1395 134.8 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 135.8 1399 2 1395	10.9 10.0 13.0 10.0	412 327 Shell trans Req. of 3985 + - - - - - - - - - - - - - - - - - -
12 12 13 14 15 15 15 15 15 15 15	140 116/Text of Jrsp. 10p. vi 128. 7.0 5.2 7.3 5.8 190 138/Earnet Market by 50ey 190 103.3 4 0.2 127 10118/Earnet 1815/Eoc. 18 127 1.4 4.5 4.8 4.8 10.3 5.1 3.7 5.1 127 10118/Earnet 1815/Eoc. 18 127 1.4 4.5 4.8 10.3 5.1 3.7 5.1 127 10118/Earnet 1815/Eoc. 18 127 1.4 4.5 4.8 10.3 5.7 2.6 0.8 10.5 10.5 10.5 10.5 10.5 10.5 10.5 10.5	100
130 10404cdonlaster 100 116 11 120 120 130 140 140 140 140 140 140 140 140 140 14	1989	25 25 26 27 27 27 27 27 27 27
670 524ffeetity lacert spr 5a y 648	94 8 Bailfile Giffied Tech. v 773 784 785 78	1225 1150 Assam Docars £1 1225 11 0 2 6 1 2 2
199 113/190	91 78	21 175 cot Pickford 100 v 18
Correponents 55 43 770 43 29 750 43 48 5 43 5 29 750 43 48 5 6 770 43 5 6 770 43 6 770 43 6 770 43 6 770 43 770 77	111 5500, Wrints. 754 64 64 60 braying loss 8 5 4brd 132 10 3,5 6	41S. African Ld. 35C. 48 49 49 49 49 49 49 49 49 49 49 49 49 49
48	847 74Ersign Trist 8.	225
## 8758AC Group	1.10 centing Asiertans	Diarnord and Platinum Elias
## 270 VENTONING Prids. 912 9 20 14-0 1 0.1 14.0 1 15 11 Radian Proo 1 121 1-15 0	108	20/Zam.Cgr. 5800.24
362 per intermational a 396 2 110.0 3.0 3.4 11.8 301 299 Stoogle SE. 4 11.5 150 Second page 5.0 4 11.5 150 Second page 5.0 4 12.5 3.8 3.9 5 51.4 100 Second page 5.0 4 11.5 150 Second	651-3 50 Independent int. 6 643 0.25 1.2 0.6 16510. Warrant int. 5 12 12 13 3.8 4.8 6.0 16510. Warrant int. 5 12 12 13 3.8 4.8 6.0 16510. Warrant int. 5 12 12 13 3.8 4.8 6.0 16510. Warrant int. 5 12 12 13 3.8 4.8 6.0 16510. Warrant int. 5 12 12 12 13 3.8 4.8 6.0 17.75 1.1 5.7 17.75 1.1 5.7 17.75 1.1 5.7 17.75 1.1 1.5 17.75 1.1 5.7 17.75 1.1 1.5 17.75 1.1 1.1 1.5 17.75 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.	9800FS ims 1c 9800FS ims
100 100	\$60. \$11\text{\$\text{straints area}\$} \$12\$\text{\$\ext{\$\text{\$\text{\$\text{\$\text{\$\text{\$\text{\$\text{\$\text{\$\tex	Synand NX Res 25c. Synand
97 700etyn Pack 50 v 984 -31 1.45 4 2.1 4 170 1558zaja Snippis 20 v 170 4.0 2.4 3 16.1 186 11160aleg Jestins 50 v 133 1.45 4 2.1 4 170 1558zaja Snippis 20 v 170 4.0 2.4 3 16.1 186 11160aleg Jestins 50 v 133 1.27 2.2 2.7 19.1 463 320ald Str. 51 v 463 012** 4 3 4 16.1 19.1 19.1 19.1 19.1 19.1 19.1 19.1	280 Moorgate law. Tst. w 266 -2 F7.5 1.0 3.7	138 10-by Eiders Resources 115 -1 0166 6.7 Beecham 60 Sears 13 13 14 25 254 21 255
121 103 Larvis Porter 100 1 184 3 4.0 3.0 3.0 8.7 4 1.2 27 4 1.2 27 4 1.2 27 4 1.2 2 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1.2 1	24 24 24 25	7# 65PMetals Ex 50: 70
142 142 143	102 Office & Ver Am ice Lipy 101 -1 a5.1 1.2 6.8 51. 13/y Waterdian Off NV 511 -1 -1 22.5 16/00 Cap 100 y 22.5 1.5 1 -2 -1 30/N Nic & Scott. Res. y 92.4 1 -1 2 6/10. Warrantis 100 y 10 10 29.1 16/10. Warrantis 100 y 10 10 29.1 16/10. Pri 50 y 261 21 16/00. Pri 50 y 261 21 16/00. Pri 50 y 27. 30/N Nic & Scott Res. 90. 26 10	25 Parlings Mog(Exp 5p. 27

.. _ _

Dollar continues to improve

THE US dollar retained the confidence of investors in cur-rency markets yesterday, shrugging aside lower than expected US retail sales in April and gaining strength from suggestions that additional US troops may be moved into Panama to protect US citi-zens after post-election vio-

Central hanks agsin remained on the sidelines yes-teroay and the dollar edged above DM1.91 during the morning to touch a high of DM1.9175. The firmer tone at the start of trading was under-pinned by comments from an official at the Bank of Japan, suggesting that in the recent daily contacts between the Group of Seven nations, there

has been no serious discussion about rigid dollar ranges. But despite the firm undertone, there was no attempt to test the next significant level of resistance at DM1.9250, and investors seem content to await the release today of US

producer prices for April.
Retail sales in April rose hy
just 0.4 per cent compared with expectations of around a one per cent increase. The dollar hulls tended to turn the news to their advantage, arguing that a reduction in sales reduces inflationary expectations and increases the real return offered on US-denominated paper.

C IN NEW YORK

May 11	Lates.	Previous Close		
f. Spot	1,6665-1,6675 0,38-0,37;;;;; 1,20-1,18pm 4,15-4,05pm	1.6735-1.6742 0.39-0.38pm 1.20-1.17pm 4.15-4.05pm		
Forward premiu	ward premiums and discounts apply to the US dolla			

STERLING INDEX

		May. 11	Previous
8.30 9.00 10.00 11.00 Nccn 1.00 2.00 3.00 4.00	201 201 201 201 201 201 201 201 201 201	55555555555555555555555555555555555555	94.9 94.9 94.9 95.0 95.0 95.0

CURRENCY RATES Bank Special* Em

01ay.11	rate	Rights	Corrency Unit
Sterling U.S. Dollar Chaddan S. Austran Sch. Belgun Franc Dadish Krone Dadish Krone Dedische Mark, Neth Guilder Freuch Franc Lajannese Yen Japanese Yen Spanida Peseta Japanese Yen Spanida Peseta Sweelish Krona Sweelish Krona Greek Oract.	7757458 458 458 1328 949	0.769679 1.28367 1.52089 17.2191 51.2660 9.51199 2.7925 8.72133 1735.10 172.525 8.85090 152.301 6.29122 2.16940 205.289	0.653876 1.08838 1.29114 14.6517 43.5949 8 10405 2.08261 2.34730 7.03581 1518 01 144,898 7.52830 129,408 7.04288 1.85623 177,188

"All SDR rates are for May 10 CHORENCY MOVEMENTS

May.11	Eask of Eastand Index	Morgan ^{co} Guaranty Changes %
Sterling U S Dollar Capatian Bollar Assurian Schilling Belgian Franc Danish Krone Dentsche Mark Swiss Franc Guider French Franc Lira	95.1 69.4 107.5 106.5 107.7 112.4 105.1 109.9 99.2 97.8 145.4	-16.3 -4.03 -4.9.8 -6.3 -2.1 +20.2 +12.5 +12.5 +12.9 -15.3 -19.8 +77.4

1985 = 1001 Bank of England Index 1985 = 1001 Rates are for May, 10.

OTKE	OTHER CURRENCIES			
May 11	£	S		
Argentina Australia Brazii Frazii Frazii Grece Hong Kong Iran KoreatSihi Kuwali Lusembourg Malaysia Mezico N. Zealand Saudi Ar. Sinaapore	172.45 - 172.75 2.1015 - 2.1035 1.7470 - 1.7560 7.0720 - 7.0930 28.85 - 273 15 12.9400 - 12.9530 120.00* 1111.45 - 1120.35 0.48790 - 0.4889 0.49790 - 0.4889 0.49790 - 0.4899 64.90 - 4.4895 2.6810 - 2.6860 6.2656 - 2.6890 6.2656 - 2.6890 2.26510 - 2.6860 6.2656 - 2.6890 2.2515 - 3.2565	103 65 - 103 75 1.2630 - 1.2640 1.0500 - 1.2650 4.2600 - 4.2620 161.05 - 163.65 7.7770 - 7.790 71.22* 663 70 - 669 10 2.5625 - 2.6945 2.446 00 - 2447 00 1.6100 - 1.6125 2.7500 - 3.7510 1.9560 - 1.9580		
S. Af (Cm) S. Af (Fe) Talwan U.A.E	4.3345 - 4.3455 6.9350 - 7.0835 42.60 - 42.70 6.1360 - 6.1395	2.6080 - 2.6110 4.1665 - 4.2566 25.60 - 25.65 3.6725 - 3.6735		

The dollar opened at around DM1.9070 and broke through the DM1.91 level before lunchtime. It finished in London at

DM1.9135 up from from DM1.9050 on Wadnesday It was was also firmer against the Japanese yen, rising to its best level since September last year at Y135.20, and compared with Y134.40 on Wednesday. Elsewhere, it finished at SFr1.7055 from SFr1.6925 and FFr6.4700

from FFr6.4325.
While central hsnks refrained yesterday from any attempt to control the dollar's rise, some traders remain cautious, suggesting that renewed attempts are likely, whether through higher interest rates or further co-ordinated dollar

sales.
The dollar's retreat from the day's highs came after com-ments yesterday from Mr Leonments yesterday from Mr Leon-hard Gleske, a board member of the West German Bundes-bank, when he said that the attention of the market would ultimately turn to current trade imbalances. This pro-vided the opportunity for some short-term investors to take profits.

Sterling moved slightly firmer towards the close of business, having spent most of the day confined to a narrow range. Its exchange rate index finished at 95.1, up from 95.0

Against the dollar, sterling fell to \$1.6655 from \$1.6720 but was slightly firmer against the D-Mark at DM3.1875 from DM3.1850. It was also higher against the yen at Y225.25 from Y224.75. Elsewhere, it finished at SFr2.8400 from SFr2.8300 and FFr10.7775 compared with FFr10.7550. On Bank of England figures, the dollar's exchange rate index rose from

69.2 to 69.4. There was little reaction to news that UK power workers will start some form of indus-trial action from May 24. Investors are still attracted by the high level of UK interest rates, and drew further support from Mrs Margaret Thatcher, the Prime Minieter, when she repeated the Government's determination to hear down on

EMS EUROPEAN CURRENCY UNIT RATES					
	Ecu central rates	Currency Amounts against Ecu May.11	% change from contral rate	% change adjusted for divergence	Otwerpeace Simit %
leigian Franç Janish Krone erman D-Mark reman Franc kitch Garlder rish Punt Laitan Lira	42,4582 7,85212 2,05853 6,90403 2,31943 0,766411 1483,58	43.5949 8.10405 2.08261 7.03581 2.34730 0.779137 1518.01	+2.68 +3.21 +1.17 +1.91 +1.20 +1.40 +2.32	+0.% +1.49 +0.55 +0.19 +0.52 +1.31	±1.5444 ±1.5404 ±1.0981 ±1.3674 ±1.5012 ±1.6684 ±4.0752

ustment ca	or Ecu, therefore pos acculated by Financia	itive change denotes i Times.	a week currency			
POU	ND SPOT-	FORWAR	D AGAIN	IST T	THE POL	J
May 11	Day's spread	Close Gae month		% p.a.	Three months	
nada	1 6600 - 1.6725 1.9700 - 1.9790 3.58½ - 3.59½	18650 - 16660 19750 - 19760 3585 - 3595	0.39-0.36cpm 0.09pm-0.05cals 14-15cpm	270 0.18 5.43	1.20-1.18cm 0.31-0.17pm 5-43-pm	

May11	Spread	Clase	One month	11	caccits.	22
us	1 6600 - 1.6725	1.6650 - 1.6660	0.39-0.36cpm	2.70	1.20-1.18cm	2.86
Canada Netherlands .	1.9700 · 1.9790 3.565 - 3.595	19750 · 19760 3585 - 3595	14-14-com	0.18 5.43 4.50 3.93	0.31-0.17pm 5-41,pm	0.49
Belgium	66.45-66.85	66 65 66.75	27-23com	440	79-720	543 453 157 352
Denmark	12.374 - 12.405	12.395 - 12.405	43-35 oreom	3.93	11 5-10 200	357
ireland	1.1875 · 1.1950	11910 11920	0.40-0.35com	3.78	1.10-1.00pm	3.52
W. Germany	3.18 - 3.19	3.184 - 3.19	14-1120fom	6.12	43-45 pm	5.96
Spain	261.95 - 264.10 197.65 - 198.45	263.10 - 264.10 198.10 - 198.40	gar-28eds	铅	19-10866 6-1766	423
Italy		232412 - 232515	3-parlireses	0.77	7-400	0.95
Norway	11.494 - 11.53	11.52 - U.53	23-15 oresm	202	63-5500	2.06
France	10 744 - 10.784	10.774 - 10.784	34-35com	202 397	104-104 pm	3.92
Sweden		10.77% - 10.78%	112-loreum	1.39	4-34 pm	135
Assiria	2245 . 2251 22.35 . 22.43	2244 - 2254 22.39 - 22.42	15-15ypm 95-85groom	8.32 4.89	30 3 - 27 4 pm	7.77 5.23
Switzerland .	2.824 - 2.845	2.8312 . 2.8412	14-14000	5.55	4-31-00	5.46
Beiglan rate 4.15-4 05cm	s convertible frames, F	handal franc 66,90-	67,00 , Sla-reports	forward dol	lar 2 36-2 32 pm	12 months
-	45.000	-				

May.11	Day's Spread	Clase	One mosth	% 0.2	Taree montles	2
JKt	1.6600 - 1.6725	1.6650 - 1.6660	0.39-0.36cpm	2.70	1.20-1.18om	2.5
relandt	1.3940 1.4025	1.3975 - 1.3985	0.17-0.22mms	-1.68 -2.53	0.30-0.40//s	-10
anada	1.1830 - 1.1885	1.1865 - 1.1875	0.23-0 27cRs	-2.53	0.68-0.7405	-2
letherlands.	2.1470 - 2.1605	21555 - 21565	0.51-0.49cpm	2.78	143-139cm	2
eglun	39.85 - 40.15	40.00 - 40.10	7.00-5.50cpm	187 125 345 -322	19.60-16.00cm	1
erumant	7.404 - 7.46	7.444 - 7.444	0.90-0.65erepm	1 25	1.70-1.30cm	0,
V. Germany	1.9035 - 1.9175	1.9130 - 1.9140	0.56-0.54ctom	3.45	1.52-1.48pm	3.
brugat		158.05 158.15	35-50cuts	-3 22	125-17546	1
pain		118.95 119.05	22-32ndk	-2.72	80-90ms	ź
aly		13941 - 13954	2.00-2.50lired/s	194	6.20-6.70/ls	-ī
orway	6.88 - 6.92 %	6.914 - 6.924	0.25-0.50oredia	-0.65	1.10-1.4005	Đ.
rance		6.464 - 6.474	0.75-0.70mm	1 34	1.90-1.80um	1
weden			0.62-0.77oreds	134	2 20-2 45ds	-1
apan		135.15 135.25	0.63-0.6Lypn	5.49	1.72-1.70mm	5
estria	13.394 13.484		2.65-2.15 propri	214	9.20-7.7000	ž
witzerland .		17050 17060	0.42-0.39	285	119-11500	2

EURO-CURRENCY INTEREST RATES							
May 11	Short term	7 Days notice	Gne Month	Three Months	Str. Months	Gpe Year	
Sterling US Dollar Con, Dollar O. Guider Se. Franc Doutschmark Fr. Franc B. Fr. (Pin) B. Fr. (Con) Ve O. Krose Station Store	124-194 124-194 124-194 124-64 64-84 11-74-74-8 11-74-4 8-11-8-11	125-125 94-95 126-12 68-63 64-65 64-65 84-85 84-85 84-85 84-85 84-85 84-85 84-85 84-85 84-85 84-85 84-85	128-122 9 193 124-12 74-75 62-65 87-85 113-114 81-8 81-8 81-8 81-8 81-8 81-8 81-8	121-121 11-97 124-17-1 124-17-1 74-77-1 63-63-63 87-84 87-84 87-84 87-84 87-84 87-84 87-84 87-84	131-125 18-93 124-12 73-74 7-63 81-83 12-11 82-83 83-83 83-83 94-94	13-12-3 10-10 12-11 12-1	

Long term Eurodoflars: two	years 102,-95 per cent; i	three years 104-951 re call for US Dollars	per cest, four years	102-9H per cont
five years 10/6-9)1 per cent on	misal. Short term rates a		and Japanese Yen	others, two days
notice.	anse. Mart win reco	COM IO OS DOME.	San solution (C)	, 60,03, 600 00)

		E	CHA	NGE	CRC)58 1	RATE	:5		
May 11	£	\$	ON	Yes	F Fr.	S Fr.	H FI.	Lira	CS	8 Fr.
£	0.600	1.666	3.183 1.914	225.3 135.2	10.78 6.471	2.840 1.705	3.5% 2.155	2325 13%	1.976 1.186	66.70 40.04
DM	0.314 4.439	0.523 7.395	14.15	70.67 1000.	3.381 47.85	0.891 12.61	1.126 15.93	7293	0.620 0.771	20.92 296.0
F Fr. S Fr.	0.928	1.545 0.587	2.97	209.0 79.33	10 3.7%	2.635	3.330 1.254	2157 818.7	1.833	61.87 23.49
H FL Ura	0.279 0.430	0.464 0.717	0.898 1.371	62.76 96.90	3.003 4.637	6.791 1.222	1544	847.6 1000,	0.550 0.850	18.55 28.64
CS 8 Fr.	0.506 1.499	0.843 2.498	1.613	114.0 337.8	5.455 16.16	1.437 4.258	1.817 5.382	1177 3486	2.963	33.78 100.

FINANCIAL FUTURES

PRICES OF US Treasury bond and Eurodollar futures rose on Liffe yesterday, following news that US retail sales rose only 0.4 per cent in April, after a revised unchanged figure in March. election. June Treasury bonds rose to 88-19 from 88-13 and Eurodollars for June delivery

Sentiment was also affected

松田路

Estimated volume total, Calls 1583 Pots 2401 Provious day's oven lot, Calls 30213 Pots 22966 LIFFE E/S OPTIONS 625,000 (cents per £3)

LONDON (LIFFE)

95-03 95-10 95-31 96-05 Estimated Volume 12194 (9101) Previous day's open Int., 23817 (23121)

Close High Law Pres 104.09 104.15 104.06 104.14 103.19 103.30 103.19 103.33

Est. Vol. Ger. flys. eat shown) 14234 (5189) Province day's agen but, 60376 (60615)

Close High Law Pres. 213.20 214.00 212.55 213.95 216.85 217.40 217.40 217.60 Estimated Volume 2805 (2218) Previous day's open lat. 20291 (20303)

POURS-S CREEDEN EXCEAUGE 1.6623 1-oct. 3-mth. 6-och. 12-oct. 16618 16636 16422 16245 BON-STERLING St per E 16630 16560 16672 16620 16450 16574 - 16390 16488

MONEY MARKETS

Rates hold steady

INTEREST RATES in London remained steady yesterday in a market generally lacking fresh sury bills drained £287m, with Weaker than expected US retail sales figures in April helped keep upward pressure off rates, while publication of the Bank of England's Quar-terly Bulletin came too late to

UK clearing bank base leading rate 13 per cent. from Hovember 25

ment's commitment to fighting inflation, during question time in Parliament stressing that interest rates will remain high for as long as is required. Three-month interbank closed at 12½-12½ per cent compared with 12½-12½ per cent on Wednesdey. Day-to-day credit

conditions were reasonably comfortable on the London money market. The Bank of England initially forecast a credit shortage of £200m, but revised this to £100m at noon and to £150m in the afternoon. The suthorities did not operate in the market before lunch and in the afternoon bought £177m bank bills in band I at 12% per

cent. Bills maturing in official

a rise in the note circulation absorbing £70m and bank bal-ances below target £25m. These factors outweighed Exchequer transactions adding £175m to

liquidity.
In Frankfurt call money fell The Prime Minieter, reinforced the UK Governholdings hy the commercial hanks with the Bundesbank. These rose to DM62.3bn on Tuesday from DM59.8hn on Mondey and an average of DM59.3hn for the first nine

days of the month. The lower trend in rates may be only temporary. The Bund-eebank indicated it did not wish to see rates decline when draining funds from the bank-ing system at this week's securities repurchase sgreement tender. The market expects a gradual firming in the near future on the possibility that the West German authorities are slightly tightening monetary policy.

In Rome the weighted average rate on the Bank of Italy's reverse eccurities repurchase tender fell to 11.59 per cent from 12.04 per cent, and the cent from 12.15 per cent.

The fixing rates are the arithmetic means rounded to the rearest one-statement, of the bid and offered rates for \$10m quoted by the market to five reference banks at \$11.00 a.m. each working day. The baris are Rational Westmisster Sank, Bank of Tokyo, Destudie Bank, Banque Hational de Paris and Borgan Gearants Trast. MONEY RATES NEW YORK 645680 83,83 7-74 7-317-43 46-48 124-124 81-84 94-94 器額 6.25-7.00 6.50 7.25

FT LONDON INTERBANK FIXING

LONDON MONEY RATES May.11 Interbank Offer
Interbank Bld
Sterling CDs.
Sterling CDs.
Local Anthority Deps.
Local Anthority Boods.
Office Deps.
Company Deposition
Sterling CDs.
Company Deposition
Freezery Slife (Sey)
Bank Silis (Bey)
Bank Silis (Bey)
Dollar CDs.
SDR Lulivet Geo Offer. 送 出 遴 121 127 12% 125 123 谜

Trassury Sills (seth); one-month 12½ per cent; three months 12½ per cent; shall sills (seth); one-month 12½ per cent; three months 12½ per cent; Treasury Sills; Aserage tender rate of discount 12.225 p.c. ELGO Fixed Rate Sterling Export Finance. Make on day April 28, 1989, Agreed rate for period May 24, 1989 to June 25, 1989, Scheme 13.39 p.c., Schemes 13.4 lit. 14.43 p.c. Reference rate for period April 10 April 28, 1989, Scheme 19.40; 13.209 p.c. Local Authority and Finance Houses seried day? notice, others seem days from the May 1, 1989, Bank Deposit Rates for some series days notice 4 per cent, Certificates of Tax Deposit Geries 6); Deposit Rates for some and the dender one month 9/2 per cent; one-three months 11 per cent; three-fix months 11 per cent; six-nine months 11 per cent; une-tweete months 11 per cent; Under \$100,000 9½ per cent from December 2,1988, Deposits withdrawn for cash 5 per cent.

US Treasury bonds rise

climbed to 90.15 from 90.11.

LIFFE EUROPOLLAR OFTENS

PHILADELPHIA SE LIS OFTIMAS £31,250 tombs per £1)

ILS. TREASURY BOOKS (CAT) 8%. \$100,000 32min of 100%

CHICAGO

However, the firmer tone was limited, as traders awaited the results of the US 30-year

hy reports that President George Bush is considering sending more US troops to Panama, on concern at the out-come of Sunday's presidential

bond anction, due after the close of husiness on Liffe. Sterling contracts also gained some support from the US retail sales figures, but finished little changed in quiet

Puts attiement
May Jun

2
0 23
2 144
342 448
842 894
1342 1383

Estimated volume Inital, Calls O Pots O Previous day's open int. Calls 160 Pots 1600

28-YEAR 9% NOTHINAL SR.7 550,998 32nd of 100%

Estimated Volume 25145 (19141) Previous day's open inc. 42011 (40766)

Estimated Valuate 448 (340) Previous day's appl 1st, 898 (892)

93.03 92.90 92.86 92.91 Estimated Volume 5200 (4412) Prodoss day's open Int. 10883 (10789)

Vol Last Vol Last - 0- 162 9 3 0.30 427 5.80 10 12 130 1350 203 20.50 - - -18.40 13.70 6.50 22 10215357 198 198 199 180 180 16.50 13.50 7.50 5.80 4.80 6.40 8.30 11 13.50 3.20 1.30 0.50 0.60 1.60 3.50 7 10.70 5.30 1.50 ABN C
ABR P
Assor C
Assor P
Abold C
Abold P
Alco C
Assor P
Amer C
Assor P
Amer C
Assor P
Assor C
Assor 2051 - - - 4 2255 - - - - 16859 - 5760 - - - 1528 - 64 - - 532 6.50 6.70 4.90 2.50 5.30 10.50 3.50 5 5 3.40 2.70 4.90 5.70 4.40 4.50 1317 3.50 2.70 1.90 3.90 4.50 10.80 3.70 3.50 TOTAL VOLUME IN CONTRACTS: 55,952

EUROPEAN OPTIONS EXCHANGE

BASE LENDING RATES

C-Call

ABM Bank
Adem & Company
AAB - Alfied Arah Bk
Affied Irish Bank
Heary Arabacher
Associates Cap Corp
Australity Bank
Bank of Merchant East
Bank of Sprain
Bank of Crysta
Bank of Crysta
Bank of Crysta
Bank of Crysta
Bank of Southard
Bank of Southar Rat Westin Austre 13
Rovitch Ged, Trist 13
Borwitch Ged, Trist 13
Provincial Bank PLC 14
R. Raphael & Sons 13
Rovincial Cank PLC 14
R. Raphael & Sons 13
Royal Office Strata 13
Royal Trist Bank 13
Santh & Willows Sess 13
Stantiard Chartered 15
Tex Cylestale Bank
Comm. Bt. N. East
Co-operative Bank
Courts & Co
Cyrnes Popular Bt.
Dautar Bank P.C.
Dautar Lawrie
Egyatorial Bank plc
Exter Trest Ltd
Fisancial & Ges. Bank
Fiss Railonal Bank Plc.

Ø Robert Fiesriang & Co.
Robert Frass & Pless.
Girotaek
Celsmess Makeo
MFC Bank p.C. Standard University
TSB
United Sk of Knooth
Westpers Trask
Westpers Bank Corp.
Whitesway Lakilian
Yorkshire Bank Celemes Mabou
HFC Bank pic
HFC Bank pic
HFC Bank pic
HFC Bank Bank
HFC Members of British Merchant Barring & Securities Rosses Association, Deposit owe 5.9% Securities 8.5%, Top The -£10,000-instant acress 12.1% -\$ Mortgage taxe rate. § Demand deposit 8%. Mortgage 13.625% -14.00% Brown Shipley
 Bustness Mige Tot
 Cl Sank Hederland

LIND-WALDOCK COMPANY

> COMMERCIAL AND INSTITUTIONAL DIVISION

Personal & professional brokerage in futures &

24-hour trading room & back office operation

and nervous trading, awaiting the next batch of UK economic statistics. These will include

average earnings figuree nextThursday and the retail prices index next Friday.

June short sterling futures showed little movement, clos-ing unchanged at 86.92 while

long gilt futures for the same month eased to 95-03 from

JAPANESE YEN (SEE Y12.5m S per Y100

Direct access to trading floors

For more information, please contact: William G. O'Donnell, Senior Vice President, or

 Direct access to senior management Back office transmissions twice daily for European clients

Competitive commission

Messrs. O'Donnell and Flippen will be available in London through to Ryman H. Flippen, II, Vice President, Director of Trading Floor Operations June 10 at (01) 628-9458.

FAX: (312) 454.8969

(312) 648,1400

INTERNATIONAL **TELECOMMUNICATONS**

The Financial Times proposes to publish this survey on:

17th July 1989

For a full editorial synopsis and advertisement details, please contact:

> Jeremy Baulf on 01-873 3000

or write to him at:

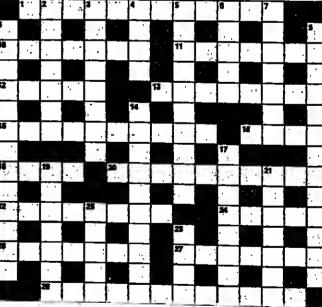
Number One Southwark Bridge London SEI 9HL

FINANCIAL TIMES

JOTTER PAD

CROSSWORD

No.6,932 Set by GRIFFIN



ACROSS "Having the same duration as summer" at once appears.

wrong (12)
Polite engineers get penalised (7) 11 Manager

ised (7)

11 Managed to continue to find capital (7)

12 Tease a couple of fellows after church (5)

13 Pity meal disrupted school break (8)

15 Having terrible pain rested uneasily in flat (10)

16 Join, having said Kay can return (4)

18 Volunteers to go to court, showing diplomacy (4)

20 Mix with me at a gala, dancing round Minehead (10)

22 Starts typing novel "Drama in the Wood" (8)

24 Condition rejected when accepting plastic gun mould (5)

(5)
28 On crushing a riot internally makes speech (7)
27 First left on entering the plant (7)
28 Be told it's ended hadly without getting discouraged (12)

DOWN

2 Unsatisfactory labourer is impolite (7)
3 Passenger list mother has sent if travelling (8)
4 Fellow climbing a pole indicates agreement (4)

Solution to Puzzle No.6.931

LOOF AH CHIMAMAN

I R B O U E U

SEAMBY ASD FRANY

REQUISIDE NAUSEA

I E I O A N U

YAMD REFLECTIVE

A O N L E O

PANHANOLER INGA

I A G A C L

UNSTADLE SORMER

THERMOOWN COOSSO

5 A bull Irene set free

safe! (10) 6 To irritate vote against

To irritate vote against something in any case (5):

Feeling string attached to nightlight, holding it up (7).

Having dismantled copier paint it, showing undue haste (13).

Given a number? (13).

Relative importance of minor change in money (10).

In restaurant fine cook finds something in the coffee (8).

something in the cook finds something in the coffee (3)

19 House doctor, a male, is in control (7)

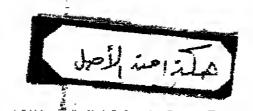
21 Before going outside catch girl (7)

23 Ringleader said to have arranged attacks (5)

25 It's up to the redhead to stimulate action (4)

Solution to Puzzle No.6,931

The Language of



WORLD STOCK MARKETS CANADA 182 | 182 | 183 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 184 | 77 to 17 to 17 to 18 to \$645 Crisum Gas \$25\$ 28 29 4+3 \$6900 Crisum Pag \$24 22 24 +3 \$77 Corners B \$1114 1114 1149 2100 Corry A \$25\$ 28 29 219 2206 Corners A \$25\$ 28 29 219 235523 Corners A \$25\$ 28 219 235523 Corners A \$25\$ 28 219 2345 Corners A \$25\$ 28 219 2345 Corners A \$25\$ 28 219 2345 Corners A \$25\$ 27 28 219 2345 Corners A \$25\$ 27 28 219 2345 Corners A \$25\$ 27 28 28 29 2352 Desiron A \$35\$ 57 58 20 2352 Desiron A \$35\$ 57 58 20 2352 Desiron A \$35\$ 57 5 5 2352 Desiron A \$35\$ 57 5 2352 Desiron A \$35\$ 57 5 2352 Desiron A \$35\$ 5 5 2352 Desiron A \$35\$ 57 57 5 2352 Desiron A \$35\$ 57 5 2352 D Closing prices May 10 32 Lath 1 Stal 3.560 14.560 14.560 37.475 15.000 5.800 5.800 5.800 5.800 5.800 5.800 5.800 4. METHERLANDS 수가날등·주주우수학교학자학기·중마상당 (소등학자 (중등학자) 하나중·영 [글 | 기구구중중국구 SWITZERLAND 8.000 1.052 1.050 1.052 1.050 1.052 1.050 1.052 1.050 1.052 1.050 1.052 1.050 1.052 1.050 1.052 1.050 1.052 1.050 1.052 1.050 1.052 7428 Bembreira 81185 Bembreir B 3200 CB Pak 25604 Cascadea 15187 Dom Tx2A 3080 Memotac 115545 NatBA Cds 3875 Noverco 87073 Power Corp 5277 Provigo 700 Sternorpa 12431 Videotron Total Seles & Dot 1 My 11 प्राचित्र दिन दि दिन्दीहरू **DOW JONES** 125 MA 75 ST 125 2418.99 (27/40 89.62 (2/2) 1144.08 (27/40 192.56 (5/5) 85.61 86.57 88.62 1112.06 1116.40 1120.96 1129.85 192.74 192.09 192.39 192.86 5519.30 (4/1) 4.40 0.16/32 21/6/32 8.64 0/10/74 4.46 025/4/420 29.31 (9/12/72) 54.87 (31/10/72 309.64 026/4 35/49 01/49 20.69 20.69 20.69 336.77 025/8/87) 393.17 025/8/82) 32.43 025/8/37) 723.3 (4/1) 35215 351 35 3524 35416 28.16 28.01 28.18 28.29 417.9 (4/I) 97.5 (27/2) 154.98 15/1) 305.24 15/1) 378.56 15/1) 173.13 (28/4) 346.84 (5/5) 430.74 (5/5) | NEW YORK | NEW 9 | NEW 6 | 1961 | 1965 | 1,961 | 257.8 187.8 237.5 239.3 189.1 १९११ हिस्स् अध्यात्त्र । देश । संस्थित स्था । से स्थान स्थान स्थान स्था है। HORWAY Osio SE (2) L/839 629.56 638.37 644.43 644.82 467.17 (2/D) SINGAPORE Straits Times Ind. (30/12/66) 1287.32 1280.67 1287.32 (11/5) 1280.57 1030.69 (4/1) 1463.0 2514.0 SPAIN Nadau SE (30/12/85) 3664.9 (6/2) 3696.1 (8/2) 1309.5 1321.4 3313.5 3568.9 03579. 3599.2 303.76 (9/5) 258.61 (1/3) SWEDEN Jacobson & P. (SL/12/56) _ 3887.2 3877.3 3912.2 (6) 0 3333.9 (3/2) SWITZERLAND Swiss Bank Ind. (31/12/58) 675.5 676.4 675.9 613.1 (5/1) Gusting price 335, 424, 34 1095, 284 512.3 511.4 539.0 0.7/20 491.2 (26/3) । हुँच्यू ।। व्र्ह्म Base values of all indices are 100 except Bressels SE and DAX - 1,000 JSE Gold - 255.T JSE industrials - 264.3 and Australia. All Ordinary and Mining - 500: (c) Closed. (u) linavaliable TOKYO - Most Active Stocks Thursday 11 May 1968 ON BUSINESS IN LUXEMBOURG? Enjoy reading your complimentary copy of the Financial Times when you're at the Hotel Cravat, Hotel Aerogolf Sheraton, Intercontinental Hotel, Hotel President, Hotel Le Royal इंद्र्यूक् । इंद्रिक्ष्ण्यूक्ष । जिल्ला 15 FINANCIALTIMES . I-10 12,140 1,20 新加州 经申申 12 issues free when you first subscribe to the Financial Times BITANLA When you take out your first subscription to the FT, we'll send you 12 issues free. For further information and details of subscription rates, complete the coupon and return it to: Wilf Brüssel Financial Times (Europe) Ltd. Guiollettstrasse 54 D-6000 Frankfurt am Main 1 West Germany Tel: (069) 7598-101 0.04 -0.1 Please send me details about Financial Times subscriptions 40 | 1888 40 | 1888 40 | 1888

FINANCIALTIMES

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

3pm prices May 11 | Sept | March | Sept | | The control of the 22% Clastic 7% Claylif 8 7% Claylif 8 7% Claylif 8 7% Claylif 8 18 12 Clored 10.08 115 2

12 Month
High Law Shock Div.
231 11 Globurg
232 234 11 Globurg
234 11 Globurg
235 236 Ganny
236 237 Gordan
237 237 Gordan
237 237 Gordan
238 237 Gordan
239 Gordan
239 Gordan
239 Gordan
230 Gordan
2 | Second | Dev. | Vis. | E. | 100-845 | B. | 100-84 11-1 Ideal P.
10-1 Ideal P.
11-1 Ideal P.
11

Characteristics and the second second

でするもともようで、かかかからでは、かかかかから、かかかかから、かかかかから、ないのでは、ないでは、ないのでは、ない

1225 ## 145

Senith

Low Stock Div.

281, horizo 1.20

40 Norvest 1.51

27 Norvest 1.51

381, Norvest 1.52

381, Norvest 1.52

91, Norvest 1.52

91, Norvest 1.52

91, Norvest 1.53

91, No 12 12 9 17 67 65 13 72 73 61 1

11-16+3-15
Adept
A

60% Keront
14 29% XTRA
28 XTRA pt1
2 Zephin
1 95, Zeprin
1 95, Zeprin
1 95, Zeprin
1 10, Zemour
1 20, Zemour

AMEX COMPOSITE PRICES

13 163+ 16 103- 3 73- 3 33+ 3 63- 4 7 + 3

Py Sta | Py 184 - 144 - 154 -

| Discript | Discript | Lower | Chouse | Plan | Discript | Lower | Discript | Lower | Discript | Lower | Discript Sheek Oke Sheep College Of St. 20 Incestly gr. 20 Incestly pr. 25e Incestly pr. 25e Incestly pr. 12b Incestl 28½ - 1 2½ - 1 6½ + 1 230½ - ½ 2½ + ½ 8½ 11½ 8½ + ½ ViAmC s.40b Vistale Waters 1.84 Waters 1.84 Waters Waters Waters Worten 24 1.17s .40 .10s .50 1.63 .16e .56e

Your FT hand delivered in Norway When you take out your first subscription to If you work in the business centres of

BÉRGEN, OSLO or STAVANGER gain the edge over your competitors. Have your Financial Times personally delivered to your office at no extra charge and you will be fully briefed and alert to all the issues that influence or affect your market and your business.

12 ISSUES FREE

the FT, we'll send you 12 issues free. Then see for yourself why William Ungeheuer, Time magazine's senior financial correspondent, describes us as "the paper with the best coverage of international finance."

Oslo (02) 678310

And ask Kari Berg at Narvesen Info Center for details.

FINANCIAL TIMES

OVER-THE-COUNTER

Travelling by air on business? Enjoy reading your complimentary copy of the Figuresial Times when you are travelling on scheduled flights fromGENEVA
with Air Canada, American
Artimes, Crossair, British
Airways, Finnair, Lufthansa,
El Al, Swissair, TWA ... ZURICH rith Crossair, Swissai ..BERN-LUGANO with Crossair

FINANCIALTIMES

Newholm Nichitro Nich

Delicities 101
Carlotter 36
Delicities 36
De

Grant Sc Carlos S Car

Burlier
Burlie

Dow fluctuates in sluggish trade after retail data

Wall Street

THE DAY began on a dull note yesterday with share prices fluctuating in a narrow range to stand slightly higher at midsession compared with Wednesday's close, writes Jonet Bush in New York.

At 2 pm, the Dow Jones Industrial Average was 5.32 points up at 2,379.77 on singrish volume of Som shares. The Dow had risen hy nearly 6 points in the opening half hour session after news of a smaller-than-expected 0.4 per cent rise in retail sales in April, but had then lost all the gain before rebounding.

The consensus forecast for the retail sales release had been for a gain of more than 1 per cent. The news pushed the bond market modestly higher hut, in both markets, the positive impact was limited as dealers traded cautiously before today's April producer

prices release.
The PPI is expected to have risen by 0.7 per cent compared with 0.4 per cent in March and gains of 1 per cent in both Jan-uary and February.

Although the Dow Jones index broke out of its long run of eight daily declines on Wsdnesday, there has essen-

tially been nothing to provoke a dramatic recovery or a fur-ther significant fall. The market is moving sideways with the only large overall fluctua-tions being prompted by waves of programmed stock index arhitrage trades whenever there is a large movement in bond futures contracts which feeds into stock index futures.

In the short-term, the direc-tion of the equity market may hang on the results of yesterday's 30-year bond auction and the trend of yields. Today's PPI could also be important if it is out of line with expectations.

Markets remained confused about the Gronp of Seven's attitude towards dollar strength. The US currency yes terday rebounded after a touch of weakness earlier this week to stand at DM1.9130 and

Also released vesterday were the latest figures for claims for unemployment insurance which hinted that April's employment picture was not as weak as last Friday's figures suggested. In the week ended April 29, initial claims for

insurance fell hy 13,000. In general terms, the equity market is now no longer deriving a simple, positive benefit from signs of economic slow-down. One reason for this is

NYSE volume Daily (million)

that inflation seems set on a rising trend, another is that investors have started focusing on the outlook for corporate profitability in the face of a

hroad economic deceleration.

Over-the-counter stocks held
steady yesterday, with the
NASDAQ Composite Index up
0.40 point at 430.04 at midsesslon. The OTC market has been enlivened recently hy a number of takeover offers.

Yesterday, Dunkin' Donuts was one of the largest gainers in any market, piling on \$5 to \$39% after it emerged that an investor group including Unicorp Canada had made an offer to take the company private. to take the company private for at least \$42 a share.

Canada

STRONG bond markets and huoyant gold and oil stocks lifted Toronto share prices at midday.

The composite index gained 7.9 to 3,583.0 as advancing stocks outnumbered declining ones hy 242 to 212 on volume

Spanish agentes devote energies to Repsol

In spite of a lack of sellers, it was the oil giant's day on the bolsa, writes Peter Bruce

HE agentes de Camhlo y
Bolsa, the hrokers on
the Madrid stock market, are very big deals indeed. While the antiquated market goes shout its chaotic, loud business and while their apod-erados (assistants) run from corner to corner of the central pen on the bolsa's floor to the

10-minute-long corros that mark official trading in each quoted sector, they stand languidly ahout, smoking and silently making a lot of money. The hrokers themselves only get involved personally when the bell rings for trading to begin in the telephone monopoly, Telefonica. Until yesterday, that is.

At precisely 1120 am the

At precisely 11.20 am, the same bell rang and, for a second, the place was quiet. The agentes were in their seats. his was Repsol's hig day, the first day's trading in the 26.58 per cent of the oil conglomerate sold off in Spain, the US, Europe and Japan by the Gov-ernment for Pta 135hn

A few minutes hefore the Madrid corro, news filtered through that the shares had closed in Bilbao at Pta 2,150, up 26.5 per cent on the Pta 1,700 offer price, and that there had been some sales By 10 am one Madrid broker,

Benito & Monjardin Interna-tional (B&M), had already taken orders from outside Spain for more than half a million shares. Would there be any paper on offer?

The agentes were gathered below the bolsa's clock tower, a thick orange marhle thing topped by a Baroone clock and inscribed with the names of members of the stock exchange who had died during the civil war. Someone said they were probably all nationalists.

The silence was quickly hro-ken by a series of shouts after the market had set a 20 per cent premium on the trading, taking the highest possible price to Pta 2,040. "There's just money, no paper," an apoder-ado shouted over his shoulder to a friend at the back.
At about 11.23, another roar.

Someone had asked for an impossible number of shares, but they just were not there. No one in Madrid was parting with the shares at 408 per cent

above par.

At 11.25, quite suddenly, the shouting — and not a little nervous laughter — stopped and people began to drift away from the little pit. The shares had closed limit up (the maximum allowed in a day). But there had been not one sale, there had been not one sale,

though there were uncon-

Spain Madrid SE Index

Aug 1988 firmed rumours that 300,000 shares had changed hands at

This seemed unlikely. The market would not allow any market would not allow any trading unless sellers put up at least 20 per cent of the 17m ebares apparently being demanded – a lot of the demand, no doubt, made tongue in cheek. After hours, brokers reported they had been unable to make a single purchase in Madrid, although some had been able to find buyers through Bilbao.

buyers through Bilbao. Mr Juan Aznar at B&M said he had managed to buy 150,000 shares through the Basqua bourse at a price between

Pta 1,050 and Pta 2,150. By late afternoon in Madrid, all eyes had turned to New York, where 1.5m shares had moved in the first 30 minutes of trading. By 5 pm in Spain, New York had sold 2.2m shares, with the price touching Pta 2.060. London brokers suspected their volumes were

even heavier.

Madrid will probably take its cue today from New York. The absence of trading in Madrid was due largely to the fact that institutional investors had little intention of taking a quick profit on their allocations and that the small private Spanish investors numbering more. investors, numbering more than 300,000, still do not have

their shares.

The trading in Bilbao could probably be traced back to the Banco Bilbao Vizzaya, the big Basque bank which already owns 3 ner cent of Repsol and owns 3 per cent of Repsol and was one of the most important underwriters of the 44m shares distributed in Spain.

Repsol executives on the floor of the Madrid bolsa wore satisfied smiles as they walked away after the vain attempt to find sellers during the corro. The company had come under heavy fire in the press in the morning for sharply cutting the amount of shares made over to applicants in the

heavily oversnhscrihed national offering.

This was probably unfair, given Repsol's stated intention to spread the flotation as widely as possible. Most of the complaints were probably the work of embittered intermediaries whose hopes of collecting chunky commissions on hig purchases had been dashed.

Anyway, noted Mr David Anyway, noted Mr David Hobly of Warburg Securities in London, "the allocation protata in Spain has been tons better than it's been here, and rightly so." The 11m shares offered abroad by Repsol were oversubscribed eight times.

After the Repsol corro, most

After the Repsol corro, most of the agentes left the floor, probably aware that yesterday was probably aware that yesterday was probably the last hig moment they will experience there. On July 29, the sweeping market reforms being introduced by the Government coma into force. The agentes, their fixed commissions, their 10-minute corros and their another after all mo.

apoderados all go. The hrave agentes have already established brokerages. The timid may have to club together and do the same, although there is precious little time left. For everyone, though, a few Repsol trades on the floor today would be some

Cautious investors confine Nikkei to modest advance

INVESTORS maintained their cautious stance yesterday because of fears of a possible increase in Japan's official discount rate. Share prices managed only a modest advance in directionless and thin trading, writes Michiyo Nakamoto in

The Nikkei average drifted narrowly throughout a day that was devoid of any news to give the market much direction. After moving from a high for the day of \$4,082.45 to a low of 33,971.46, the Nikkei finished up 89.14 at 34,081.49. Advances exceeded declines

were unchanged. Turnover dropped further to 821.62m shares against 865.75m traded on Wednesday.

The Topix index of all listed shares climbed 2.91 to 2,537.99 while, in later London trading, the ISE/Nikkel 50 index rose 0.17 to 2.008.99.

Buying hy index-linked, spe-clal investment funds helped support the market's gains. Trading continued to be unfocused, as the market suffered from a lack of clear leaders capable of stirring huying enthusiasm.

Individuals who have supported the market's most recent gains, are unable to sell on the small increases that shares have seen in the past few days as a result of the greater costs of trading caused by the new capital gains tax. They cannot take profits unless share prices rise considerably, hut this is being pre-vented by the rapid cyclical huying pattern that has emerged in recent sessions.

Institutional investors, meanwhile, were unable to huy at the high price levels that many shares have reached. especially as they have failed to take part in the rally that raised prices to these levels. considerable difficulty justify-ing buying at present levels, when an increase in the official discount rate is widely expec-

ted in the near future.
Bullish expectations of further rises in May and June persist, as a result of an expected influx of funds from state-run pension funds and postal savings. However, investors prefer not to step up their activity in the market before they can ascertain price trends in Japan and the yen's course in the coming week. Both of these would be class as to whether, when and to what level the Bank of Japan will raise the official discount rate.

was reflected both in its depressed volume and in the cyclical huying pattern of, particularly, special situation issues with quick price movements. Among them, Dailchi Chuo Kisen, the freight carrier, was heavily traded, adding

Y101 to Y1,040. Kayaha, the leading hydran-lic equipment maker, and Mitsnhishi Kakoki, a mediumsized manufacturer of oll and chemical equipment, also attracted substantial huying. Kayaba rose Y29 to Y998 and Mitsubishi Kakoki gained Y10

Sumitomo Metal topped the most actives list with 117.6m shares and rose Y23 to Y964. There has been a clear move by hrokers to bring large-capital issues to the fore and Sumitomo Metal was seen as the leader among the large volume

Interest shifted away from recently selected electricals to large-volume steels in Osaka. The OSE average posted a

SOUTH AFRICA

JOHANNESBURG gold shares closed slightly firmer yesterday in an otherwise mixed and listless market.

on volume up to 90.1m shares from 75.6m traded on Wednesday. Sumitomo Metal added Y19 to Y964.

Roundup

GAINS were made by all the leading Asian Pacific markets, but only Australia advanced strongly. Hong Kong inched ahead to another post-crash high, while Singapore shares

AUSTRALIA advanced in moderate volume after good overnight demand in London and bnoyed by a strong June index futures contract.

The All Ordinaries indexgained 12.9 to 1,515.6 in turn-

over of 91m shares worth In industrials, News Corp surged 30 cents to A\$12.65,

Nylex gained 14 cents to A\$4.78 and Amcor found 14 cents to A\$4.44. Bond Corp picked up 8 cents to A\$1.08 — recovering from Wednesday's four-year low - on news of the sale of its 50 per cent stake of its Hong Kong Bond Centre to EIE

Australian National Industries, which is facing a A\$1.40 hid from Consolidated Press Securities, picked up 2 cents to A\$1.45 as 1.5m shares changed

HONG KONG edged its way to another post-crash peak after a cautious day's trading.
The Hang Seng index rose
4.12 to 3,285.10 after opening slightly lower. Turnover was higher at HK\$1.68bn, compared with HK\$1.59bn on Wednesday. Hongkong Land was again the most active, adding 15

cents to HK\$10.60. SINGAPORE saw profit-tak-ing trim early gains inspired by Wall Street's overnight rise, and share prices closed mixed. The Straits Times industrial Europe, although corporate news maintained interest in selective stocks, writes Our more than 1m shares traded in Paris. The stock was also popular in London, reportedly high-

Markets Staff.
FRANKFURT saw activity gradually tail off as initial enthusiasm wore thin. The main kill-joy was the prospect of higher interest rates — the likelihood of which was reinforced, said one analyst, after the close when worsethan-expected domestic whole-sale prices figures wers Wholesale prices rose in

March to give an annualised rate of 6.5 per cent - the highest year-on-year figure since June 1932.

German money supply and producer prices data are also in the offing, along with a spate of economic figures from the US and consequently, "there was more than a sneaking suspicion that interest rates might rise on Thursday (when the Bundesbank next meets)," one

The bearish outlook on rates sent the DAX index down 6.99 to 1,358.79, having risen 5.42 points earlier. The FAZ, which is based on midday prices, was little changed, off 0.01 at 575.88. Foreigners stayed mostly on the sidelines and volume slipped to DM3.5bn.

Individual stocks overcame the general gloom, with VW closing DM4.20 higher at DM344.70, after reaching a peak of DM347. It announced a 30 per cent rise in annual profits the previous day. Computer maker Nixdorf

had what one analyst called "a nice speculative run," gaining DM4.70 to DM315.20 amid takeover talk. Feldmühle Nohel continued to rise, adding DM5.80 to DM360.30. Deutsche Bank, trading ex a DM12 dividend, declined DM16

PARIS floundered again, spending all morning waiting for the US retail sales figures and then responding little in the afternoon to news that they were hetter than

The CAC 40 index fell 4.27 to 1,672.52 and the OMF 50 index index gained 6.65 to 1,287.32 in active turnover of 101m dropped 0.99 to 474.12. Volumes were again estimated at about FFr1.3bn.

Interest rate concern weighs down bourses Eurotunnel had a busy day, sharp rise in first quarter prof-INTEREST RATE worries dampened trading again in rising FFr1.75 to FFr94 with

lighted by the current £8.6m warrants issue being lead managed by Salomon Brothers.

Club Med saw profit-taking

after recent sharp rises on takeover rumours, losing FFr8 to FFr598, while car maker Peugeot continued to slide, falling FFr3 to FFr1,652. Galeries Lafayette, the retailer, had a healthy session, gaining FFr99, or 7 per cent, to FFr1,520 on continued rumours that Sir Ron Brierley might increase

AMSTERDAM weakened in w activity, with Royal Dutch/ Shell one of the few advancing stocks. The CBS trend index sed 1.3 to 177.8. Royal Dutch gained Fl 1.90 to Fl 138.80 after reporting a

 above expectations. Hoogovens, the steel maker trading ex a Fl 4 dividend, declined Fl 5 to Fl 100.20 Profit-taking sent Nedlloyd, the

shipping company, Fl 15.30, or 3.7 per cent, lower to Fl 390.20 after recent speculative gains. Truck company Frans Maas fell FI 1.50 to FI 67 after saying it was planning a rights issue next month. Schuitema, the retailer, rose FI 25 to FI 1,650, taking its gain to F1 100 since the court ruling

on a case brought by a former

shareholdsr on Wednesday. MILAN dipped slightly in lacklustre trading in volume estimated to be similar to the previous day's. The Comit index fell 1.69 to 606.63. One of the day's most active shares was Montedison, which closed L7 up at L2,150, before being marked lower at L2,135.

MADRID lost ground as all eyes fixed on the start of trad-ing in Repsol. The general index eased 0.41 to 303.25.

ZURICH remained in the grip of inflation worries, losing ground amid news of a 2.6 percent annual rise in domestic inflation last month - the highest annual rate since December 1985. The rise fuelled fears of

higher interest rates and the Crédit Suisse fell 2.2 to 561.1. STOCKHOLM closed slightly higher in moderate trading with interest concentrated on Ericsson shares. Ericsson free B shares rose SKr7 to SKr457 on strong foreign buying.

The activity was seen as a healthy sign in a market where pessimism has grown in the past few weeks. Total turnover was worth SKr221m.

Trading was generally unaffected by Wednesday's

government proposal to introduce a temporary compulsory savings scheme in an effort to cool the economy.

Just after the market closed, Sandvik, the cemented carbide and special steels group, revealed an 18 per cent increase in first quarter net profits to SKr705m. Sandvik free B shares closed unchanged

at SKr350. BRUSSELS ended mixed after moderate business with no special factors to influence frading. The cash market index rose 16.78 to 5,997,36.

FN, the arms and aeronauti-cal subsidiary of Société Générale, rose BFr32 to BFr752. OSLO fell across the board as investors continued to take profits on recent gains.

The all-share index fell 3.69 points to 485.54 in moderate

WEDEN 1.9.8.9

The FFV Group employs close to 10,000 persons who work at more than fifty units in Sweden and other parts of the world. The Group, which has fullyowned subsidiaries in nine countries, is headquartered in

Eskilstuna, Sweden, 110km due west of Stockholm. The Group operates under the Swedish Ministry of Industry.

Sales of SEK 6.5 billion are anticipated for 1989. In recent years, Group operations have been characterized by sharp growth in markets outside Sweden and sales to commercial customers have risen sharply.

FFV enjoyed a good year in 1988. Invoiced sales totalled MSEK 6,029 (5,012)*. Profit before extraordinary items increased by 75 percent to MSEK 291 (165), and return on capital employed rose to 17 percent (13).

Groups, with sharply decentralized responsibility. Business Group Ordnance develops, manufactures and markets military materiel such as infantry and

underwater weapons and landmines.

Invoiced sales: MSEK 1,742.

The FFV Group is organized into five Business

Business Group Aerotech is an internationally

oriented, non-affiliated aviation maintenance company with units in Europe, the USA and the Far East. Invoiced sales: MSEK 2,279.

NKr390m

Business Group Telub is one of the largest consulting and technology-based companies in the Nordic region. offering services and systems in data-processing, communications and electronics.

Invoiced sales: MSEK 1,065. Business Group Holding is responsible for developing those Group companies which do not naturally relate to the Group's core businesses.

Business Group Development comprises those companies which supply the Group with joint technology. It also actively promotes continued internationalization. Invoiced sales: MSEK 156.



Invoiced sales: MSEK 925.

The FFV Group's immediate future, especially 1989, seems highly promising. Operations will expand and we anticipate earnings of at least the same level as 1988? Rune Nyman President and Chief

FT-ACTUARIES	WODID	INDICES
LI-WALCHUES	HONLD	INDIGES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie in conjunction with the Inatitute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS		WEI	NESDAY I	MAY 10 198	39		TUES	PAY MAY 9	1989	DO	LAR INDE	x
Figures in parentheses show number of stocks per grouping	US Dollar Index	Day's Change %	Pound Sterling index	Local Currency index	Day's change % local currency	Gross Olv. Yleid	US Dollar index	Pound Sterling Index	Local Currency index	1989 High	1989 Low	Year ago (approx)
Australia (89)	135.79	~ 0.1	120.41	113.95	+ 0.4	4.89	135.88	121.32	113.55	157.12	128.28	120.38
Austria (18)	123.64	+ 0.6	109.63	122.43	+ o.s	2.10	122.81	109.48	122.07	124.16	92.84	90.69
Beiglum (63)	133.01	+ 0.7	117.94	1\$1.20	+ 0.1	4.15	132.07	117.92	131.10	137.10	128.52	126,25
Canada (127)	134.6 6	+ 0.2	119.41	115.50	~ 0.1	3.40	134.42	120.02	115.59	137.27	124.67	118.81
Denmark (38)	1\$1.03	+0.4	160.52	182.51	+0.0	1.83	190.30	160.99	182.51	161.03	165.35	120.84
Finland (26)	150.66	+ O.S	133.59	134.06	-0.2	1.58	150.21	134,11	134.32	159.16	125.81	130.29
Franca (130)	117.87	+ 0.0	104.52	118.93	-0.5	3.18	117.86	105.23	119.57	122.79	112.57	88.76
West Germany (100)	85.17	+0.6	75.52	84.35	+0.0	2.37	84.88	75.61	84.84	90.40	\$1.77	72.51
Hong Kong (49)	139,42	+ 0.6	123.63	139.24	+0.7	3.84	138.37	123.55	138.22	139,42	111.60	101.01
Ireland (17)	146.12	+0.4	129.56	146.59	-0.3	2.87	145.48	129.89	147.00	151.38	125.00	122.79
Italy (98)	80.24	+ 0.9	71.15	33.18	+0.3	2.53	79.56	71.04	82.95	86.88	78.16	74.88
Japan (455)	151.22	+0.2	169.56	182,45	-0.1	0.47	190.89	170.44	162.88	200.11	190.30	173.17
Malaysia (36)	182.29	-0.2	161.64	189.24	-0.4	2.52	182.70	163.13	190.02	182.70	143.35	130.36
Mexico (1\$)	160.74	-0.6	160.27	483.26	-0.1	1.04	181.85	162.37	483.85	182.66	153.32	134.09
Netherland (42)	118,13	-0.2	104.75	115.71	-0.5	4.45	118,42	105.74	116.61	122.22	110,63	104,70
New Zealand (24)	71.71	-02	63.59	61.36	+ 0.0	5.97	71.89	84.15	S1.38	76.02	66.84	77.52
Norway (26)	184.66	- 1. 0	163.74	172.56	-1.4	1.55	186.45	188.46	175.00	198.39	139.92	114.36
Singapora (26)	157.08	+0.2	139.29	141.41	+ 0.0	1.91	156.76	139.67	141.34	158.22	124.57	111.35
South Africa (60)	135.27	+0.4	119.95	124.50	+0.4	4.17	134.79	120.35	124.06	144.86	115.35	123,46
Spain (42)	153.74	+ 0.1	136.32	137.96	-0.3	3.56	153.S1	137.16	138.31	156.17	143.14	149.39
awedan (35)	156.62	+0.2	138.88	149.43	-0.2	2.30	158.29	139.54	149.75	162.00	138.45	121.12
Switzerland (57)	72.98	+0.5	64.71	76.57	− <u>ŏ.ī</u>	2.42	72.58	64.81	76.56	79.78	72.59	76.40
United Kingdom (\$15)	146.82	+0.3	130.1S	130.18	-0.4	4.36	146.35	130.67	130.67	153.33	134.53	137.62
USA (560)	124.63	+0.2	110.51	124.63	+0.2	3.56	124.35	111.03	124.35	125.97	112 13	103.15
Europe (1008)	118.89	+0.3	105.42	112.17	-0.s	3.58	118.50	105.90	112.48	121.70	114.02	106.93
Nordic (125)	154.05	+0.2	136.60	143.84	-o.a	1.98	153.79	137.31	144.21	155.51	137.9 5	112.35
Pacific aasin (679)	166.72	+0.2	166.57	159.17	-0.1	0.88	186.39	166.42	159.32	194.72	176.37	188.27
Euro - Pacific (1687)	159.59	+0.2	141.51	140.47	-0.2	1.56	159.23	142.17	140.66	164.22	152.83	143.74
North America (687)	125.14	+0.2	110.96	124.07	+0.2	3.57	124.86	111.49	123.82	125.52	112.79	103.97
Europe Ex. UK (693)	101.54	+0.3	90.04	101.03	-0.2	2,95	101.20	90.36	101.24	105.29	98.84	87.95
Pacific Ex. Japan (224)	132.69	+0.2	117.66	117.86	+0.4	4.29	132.38	118.20	117.37	137.65	123.46	109.17
World Ex. US (1867)	159.49	+0.2	140.54	139.51	-0.1	1.84	156.14	141.20	139.51	162.77	152.04	142.67
World Ex. UK (2132)	145.16	+0.2	128.72	134.96	+ 0.0	2.03	144.85	129,33	134,85	146.04	138.06	126.44
World Ex. So. Al. (2387)	145.36	+0.2	128.89	134.57	+ 0.0	2.23	145.04	129.50	134.61	146.65	138.82	127.44
World Ex. Japan (1992)	123.30	+0.3	109.33	119.94	+ 0.0	3.61	122.97	109.80	119.89	124.65	114.51	105.46
The World Index (2447)	145.29	+0.2	128.83	134.50	+0.0	2.24	144.97	129.44	134.54	146.51	138.83	127.42
Copyright, The Financial Latest prices were unavil	Times Lir abla lor 1	mited, Gol thia editlo	dman, Sa n.	chs & Co	, and County	NatWe	st Securiti	es Limited.	1987			

To find out more about the performance, direction and prospects of some of Sweden's most successful corporations send for a free copy of the 1988 annual	Attach your business card or please print.
report of the corporations listed below. Please circle for your free copies:	Name
ASSI CARDO EUROC FFV MoDo	Title
NOBEL INDUSTRIES SWEDEN	Company
PERSTORP PROCORDIA SANDVIK	Address
SKANSKA STORA	Country Swedish Annual Report Promotion, Box 10020, S-100 55 Stockholm, Sweden,